

4797. Also, petition of John Rice, secretary, Franklin Brewing Co. employees and 1,028 sundry residents of Luzerne County, Pa., protesting against the passage of the Bryson bill, H. R. 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

4798. Also, petition of the Labor News and 1,834 sundry residents of Luzerne County, Pa., protesting against the passage of the Bryson bill, H. R. 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

4799. By Mr. O'LEARY: Petition of James P. Costello and 900 others, opposing House bill 2082; to the Committee on the Judiciary.

4800. By Mr. Scanlon: Petition of Matthew Turner and 1,220 other residents of the Sixteenth Congressional District of Pennsylvania and vicinity, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4801. Also, petition of A. F. Utzig and 360 other residents of the Sixteenth Congressional District of Pennsylvania and vicinity, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4802. Also, petition of Pete Wasel and 2,000 other residents of the Sixteenth Congressional District of Pennsylvania and vicinity, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4803. Also, petition of John Dietz and 1,579 other residents of the Sixteenth Congressional District of Pennsylvania and vicinity, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4804. Also, petition of Harry F. Butzler and 1,920 other residents of the Sixteenth Congressional District of Pennsylvania and vicinity, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4805. Also, petition of Amelia Wyseier and 360 other residents of the Sixteenth Congressional District of Pennsylvania and vicinity, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4806. By Mrs. NORTON: Senate Joint Resolution No. 1 of the State of New Jersey, approved February 4, 1944, memorializing the Congress of the United States to oppose any legislation transferring to the Federal Government the administration of unemployment compensation; to the Committee on Ways and Means.

4807. By Mr. SUNDSTROM: Senate Joint Resolution No. 1 of the State of New Jersey, memorializing the Congress of the United States to oppose any legislation transferring to the Federal Government the administration of unemployment compensation; to the Committee on Ways and Means.

SENATE

THURSDAY, FEBRUARY 10, 1944

(Legislative day of Monday, February 7, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as we come at the zenith of noontide glory lift our eyes from the mists and shadows which shroud the valleys to the hills of strength where Thy clear light illumines the rugged peaks.

Cleanse our hearts from secret faults that we may behold the spiritual splendor that only the pure in heart can see, lest our souls shrivel in small views and petty hates. In the eternal struggle of truth and error, tyranny and liberty, give us the assurance that we are not alone, we do not stand alone, we do not fight alone; but that Thy increasing purpose is bound up with all this human struggle toward the goal of man's redemption from ignorance, hunger, suffering, and chains.

Above the din of today's war to the death with forces of darkness, keep our spirits steadfast, our hearts courageous, our motives pure, as riding forth with knightly valor we bear in our hands the commission of ancient days: "He hath sent us to bind up the brokenhearted, to proclaim liberty to the captives and the opening of prisons to them that are bound; to proclaim the day of justice of our God." We ask it in the Name above every name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, February 9, 1944, was dispensed with, and the Journal was approved.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on February 9, 1944, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 1255. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission, defining the authority, power, and duties of said Commission, and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939;

S. 1504. An act to extend the time for completing the construction of a railroad bridge across the Missouri River at or near Randolph, Mo.; and

S. J. Res. 63. Joint resolution requesting the President to proclaim February 11, 1944, as Edison Day in commemoration of the birthday of Thomas Alva Edison.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on February 9, 1944, the President had approved and signed the joint resolution (S. J. Res. 63) requesting the President to proclaim February 11, 1944, as Edison Day in commemoration of the birth of Thomas Alva Edison.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 1447. An act to remit claims of the United States on account of overpayments to part-time charwomen in the Bureau of Engraving and Printing, and for other purposes; and

H. R. 3687. An act to provide revenue, and for other purposes.

RESIGNATION OF SENATOR HOLMAN FROM COMMITTEE ON THE DISTRICT OF COLUMBIA

The ACTING PRESIDENT pro tempore (Mr. PEPPER) laid before the Senate a letter from Mr. HOLMAN resigning as a member of the Committee on the District of Columbia, which was read and ordered to lie on the table, as follows:

UNITED STATES SENATE,
February 9, 1944.

HON. HENRY A. WALLACE,
Vice President of the United States,
Washington, D. C.

MY DEAR MR. VICE PRESIDENT: I hereby tender my resignation as a member of the Senate District of Columbia Committee. I have submitted a similar notice of resignation to Senator NYE.

Sincerely yours,
RUFUS C. HOLMAN.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Green	Radcliffe
Andrews	Guffey	Reed
Austin	Gurney	Revercomb
Bailey	Hatch	Reynolds
Ball	Hawkes	Robertson
Bankhead	Hayden	Russell
Barkley	Hill	Shipstead
Bilbo	Holman	Smith
Bone	Johnson, Colo.	Stewart
Brooks	Kilgore	Taft
Buck	La Follette	Thomas, Idaho
Burton	Langer	Thomas, Okla.
Bushfield	Lucas	Thomas, Utah
Byrd	McClellan	Truman
Capper	McFarland	Tunnell
Caraway	McKellar	Tydings
Chandler	Maloney	Vandenberg
Chavez	Maybank	Wagner
Clark, Idaho	Mead	Wallgren
Clark, Mo.	Millikin	Walsh, Mass.
Connally	Moore	Walsh, N. J.
Danaher	Murdoch	Wheeler
Downey	Murray	Wherry
Eastland	Nye	White
Ellender	O'Daniel	Wiley
Ferguson	Overton	Willis
George	Pepper	Wilson

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from Iowa [Mr. GILLETTE], the Senators from Nevada [Mr. McCARRAN and Mr. SCRUGHAM], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Indiana [Mr. JACKSON] is detained on public business.

Mr. WHITE. The Senator from Oregon [Mr. McNARY] is absent because of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Nebraska [Mr. BUTLER] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness in his family.

The Senator from Pennsylvania [Mr. DAVIS] is detained on public matters.

The ACTING PRESIDENT pro tempore. Eighty-one Senators having answered to their names, a quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PERSONNEL OF THE LAND FORCES

A confidential letter from the Secretary of War, reporting, pursuant to law, relative to the personnel of the land forces on December 31, 1943; to the Committee on Military Affairs.

PERSONS COMMISSIONED IN THE ARMY FROM CIVIL LIFE

A letter from the Secretary of War, transmitting, pursuant to law, a report showing the name, age, legal residence, rank, branch of the service, with special qualification thereof, of each person commissioned in the Army of the United States without prior commissioned military service, for the period December 1, 1943, through January 31, 1944 (with an accompanying report); to the Committee on Military Affairs.

REPORT OF FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, the ninth annual report of the Commission for the fiscal year ended June 30, 1943, together with a statement of certain major developments up to January 1, 1944 (with an accompanying report); to the Committee on Interstate Commerce.

ESTIMATES OF PERSONNEL REQUIREMENTS

Letters, transmitting, pursuant to law, estimates of personnel requirements for the quarter ending March 31, 1944, by the National Housing Agency, the Securities and Exchange Commission, and the Federal Security Agency covering various constituent organizations under that Agency (with accompanying papers); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

Petitions, numerous signed, of sundry citizens of Brooklyn, N. Y., praying for the enactment of pending legislation providing a wartime method of voting by members of the armed forces; ordered to lie on the table.

The petition of the men's Bible class of the Parnassus Presbyterian Church, New Kensington, Pa., praying for participation by the United States in the establishment of a Christian world order and government; to the Committee on Foreign Relations.

By Mr. WALSH of New Jersey:

A joint resolution of the Legislature of New Jersey; to the Committee on Finance:

"Senate Joint Resolution 1

"Joint resolution memorializing the Congress of the United States to oppose any legislation transferring to the Federal Government the administration of unemployment compensation

"Whereas the Federal Social Security Board, and other Federal agencies and Federal officials, propose to recommend to the Congress plans that will involve the nationalization of unemployment insurance in the 51 States and jurisdictions of the United States; and

"Whereas transfer of these proper State functions to the Federal Government would

eliminate all consideration of local conditions of living and employment; and

"Whereas the balance in the New Jersey fund as of December 31, 1943, is \$308,026.821.30; and

"Whereas the proposal to federalize unemployment insurance systems of the various States seriously threatens the availability of this fund for use in the State of New Jersey alone, since the unified national system might involve pooling of all State funds; and

"Whereas the New Jersey Legislature by the enactment of chapter 386, pamphlet laws of 1941, directed that the Employment Service Division of the New Jersey Unemployment Compensation Commission, now loaned to the Federal Government for the emergency, be returned to State service: Now, therefore, be it

"Resolved by the Senate and General Assembly of the State of New Jersey:

"1. The Legislature of the State of New Jersey considers that post-war problems may be properly administered only under a State employment security system including both unemployment compensation and employment service and, therefore respectfully urges and petitions the Congress of the United States to oppose the enactment of any proposal involving the transfer of the administration of unemployment compensation from the States to the Federal Government.

"2. The secretary of state be and he is hereby directed to transmit copies of the joint resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, the Senators and Representatives of the State of New Jersey in the Congress, the Federal Security Administrator, and the Federal Social Security Board.

"3. This joint resolution shall take effect immediately.

"Approved February 4, 1944."

The ACTING PRESIDENT pro tempore laid before the Senate a resolution identical with the foregoing, which was referred to the Committee on Finance.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK of Missouri:

S. 1712. A bill to amend the Canal Zone Code; and

S. 1713. A bill to amend the Canal Zone Code; to the Committee on Inter-oceanic Canals.

By Mr. WALSH of Massachusetts:

S. 1714. A bill to reimburse certain Coast and Geodetic Survey and Marine Corps personnel for personal property lost or damaged as the result of a fire at the Marine Barracks, Quantico, Va., on December 16, 1943; to the Committee on Naval Affairs.

By Mr. WHITE:

S. 1715. A bill for the relief of James A. Kelly; to the Committee on Claims.

By Mr. LANGER:

S. 1716. A bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940, as amended; to the Committee on Finance.

CONTINUATION OF COMMODITY CREDIT CORPORATION—AMENDMENTS

Mr. PEPPER submitted three amendments intended to be proposed by him to the bill (H. R. 3477) to continue the Commodity Credit Corporation as an agency of the United States, to revise the basis of annual appraisal of its assets, and for other purposes, which were severally ordered to lie on the table and to be printed.

CASE OF BENJAMIN E. COOK, ADMINISTRATOR, ETC., AGAINST THE UNITED STATES—AMENDMENTS

Mr. LANGER submitted two amendments both in the nature of substitutes intended to be proposed by him to the bill (S. 1535) to vest jurisdiction of the District Court of the United States for the Western District of Oklahoma in the case of Benjamin E. Cook, administrator of the estate of Cam C. Boyd, deceased, against the United States, which were referred to the Committee on the Judiciary and ordered to be printed.

EMPLOYMENT AND READJUSTMENT IN CIVILIAN LIFE OF RETURNING WORLD WAR NO. 2 VETERANS—AMENDMENTS

Mr. WAGNER. Mr. President, I ask unanimous consent to submit for appropriate reference amendments intended to be proposed by me to the bill (S. 1617) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

The ACTING PRESIDENT pro tempore. Without objection, the amendments submitted by the Senator from New York will be received, referred to the Committee on Finance, and printed.

Mr. WAGNER. Mr. President, I have just submitted, with the approval of the American Legion, an amendment to Senate bill 1617, the Legion's omnibus bill on Federal Government aid to veterans of the present war. My amendment is a substitute for title V of the bill, relating to veterans' employment service.

During the past few weeks I have had a number of discussions with representatives of the American Legion on this problem and in submitting today a substitute title V, I believe that we have worked out an arrangement which will provide a more effective veterans' employment service. This goes to the heart of the veterans' post-war problem.

The law creating the present United States Employment Service, which I sponsored over 10 years ago, provided for a veterans' employment service. The new provision I have submitted today provides for the establishment of a veterans' placement service board within the United States Employment Service, to consist of the Administrator of Veterans' Affairs as chairman, the Director of the National Selective Service System, and the administrative head of the United States Employment Service. This makes it absolutely clear that the Administrator of Veterans' Affairs—General Hines—has an official relationship with the employment service. This board, of which General Hines will be chairman, would determine all matters of policy relating to the administration of the veterans' employment service.

This arrangement will make it certain not only that the policies of the veterans' employment service are closely coordinated with the policies of the Veterans' Administration but will also make certain that the veterans' employment service will function as an integral part of the United States Employment Service. This is absolutely essential, not only in order to relieve General Hines from

the necessity of day-to-day supervision of administrative details, but also in order to make certain that all of the job-finding facilities of the entire United States Employment Service are made available to every veteran throughout the length and breadth of this land.

It should be recognized that the present United States Employment Service referred to in the bill has been operating on a Federal basis since Pearl Harbor, with employment-service offices in the several States. The new provision for veterans' employment service which I have submitted does not basically alter this wartime set-up. It is so framed as to leave open, for future congressional action, the decision as to whether the permanent United States Employment Service should be operated on a Federal or State-Federal basis. My own views on this issue favor the Federal plan, as written in Senate bill 1161, placing the full weight of the National Government behind the veterans' employment service, under a single chain of command, for maximum effectiveness in getting veterans reemployed on jobs in any part of the country.

HEARINGS BEFORE INTERSTATE COMMERCE COMMITTEE—REGULATION OF RATE BUREAUS

Mr. WHEELER submitted the following concurrent resolution (S. Con. Res. 34), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Interstate Commerce of the Senate be, and is hereby, authorized and empowered to have printed for its use a consolidated edition of 1,000 copies of the hearings held before said committee during the first session of the Seventy-eighth Congress on the bill (S. 942) to amend the Interstate Commerce Act, to provide for agreements between common carriers by railroad, between common carriers by pipe line, between common carriers by motor vehicle, between common carriers by water, and between freight forwarders, for the making and filing of rates, fares, charges, or classifications for transportation of passengers and property, and for other purposes.

DELLA M. BENDER—RECONSIDERATION OF RESOLUTION

Mr. LUCAS. Mr. President, on Tuesday last I reported from the Committee to Audit and Control the Contingent Expenses of the Senate, Senate Resolution 234, to pay a gratuity to Della M. Bender, which was thereupon considered and agreed to. The action was taken under a misapprehension of the law. I ask that the vote whereby the resolution was agreed to be reconsidered.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. Senate Resolution 234 to pay a gratuity to Della M. Bender.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois to reconsider the vote whereby the resolution was agreed to? The Chair hears none, and the vote whereby the resolution was agreed to is reconsidered and the resolution will be placed on the calendar.

RESTORATION OF JEWISH HOMELAND IN PALESTINE—EDITORIALS FROM PORTLAND (OREG.) DAILY JOURNAL

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD two editorials from the Portland (Oreg.) Daily Journal relative to the restoration of the Jewish homeland in Palestine, which appear in the Appendix.]

THE RUSSIAN ATTITUDE—ARTICLE BY PAUL MALLON

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article under the headline "The Nation's politics," by Paul Mallon, which appears in the Appendix.]

THE MOSCOW AGREEMENTS—ARTICLE BY CONSTANTINE BROWN

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article relating to the Moscow agreements, written by Constantine Brown and published in the Washington Star of February 10, 1944, which appears in the Appendix.]

TRIBUTE TO WOODROW WILSON BY MARTIN AGRONSKY

[Mr. HATCH asked and obtained leave to have printed in the RECORD a tribute to Woodrow Wilson, broadcast over the radio by Martin Agronsky on February 3, 1944, which appears in the Appendix.]

ROOSEVELT'S SPIRIT A LESSON TO WOUNDED SOLDIERS—ARTICLE BY DAVID LAWRENCE

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article entitled "Roosevelt's Spirit Hailed," written by David Lawrence, and published in the Washington Evening Star of December 17, 1943, which appears in the Appendix.]

FOOD STAMP PLAN—EDITORIAL FROM NEW ORLEANS (LA.) TIMES-PICAYUNE

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an editorial entitled "Poor Substitute," published in the New Orleans (La.) Times-Picayune of February 8, 1944, which appears in the Appendix.]

FEDERAL HOUSING APPROPRIATIONS

Mr. WHERRY. Mr. President, some time before we adjourned at Christmas time an appropriation for housing came before the Senate. I called the attention of the able and distinguished senior Senator from Tennessee [Mr. McKellar] to communications I had received from my State and other States relative to additional housing construction. Those sending the communications felt additional housing was unnecessary, and asked me if the proposed housing legislation then before the Senate was necessary, and whether the appropriations were being made upon the basis of need. The Senator from Tennessee answered they were. Therefore the Senate supported the conference report submitted by the senior Senator from Tennessee as presented to the Senate.

At that time I told the Senator I had received several communications from my State and other States relative to unneeded housing. I wish to put in the RECORD a message I received this morning from the Florence Field Improvement Club, of Omaha, which calls forcefully to the attention of Senators, and especially of the senior Senator from Tennessee, the same situation I brought to his at-

tention on the former occasion when I asked for a congressional investigation. This is the message:

OMAHA, NEBR., February 8, 1944.

Hon. KENNETH WHERRY,
United States Senate,
Washington, D. C.:

The members of the Florence Field Improvement Club respectfully request that Congress investigate the manner in which National Housing funds are being spent in Omaha. It is our belief that the principal gain from several of the projects now under way will be to the contractors, the real estate dealers, the finance companies, and the various agents involved, and that the war effort will benefit but little, and is an unnecessary waste of construction materials and manpower needed to help the war effort. It is our further belief that in the end the Government will have to make good the full 90 percent of the cost which it guarantees and that we, the taxpayers whose property is being damaged by shoddy construction, will finally have to foot the bill. This construction is not prompted by need, but by the desire of certain parties to get their hands into Federal Housing funds.

FLORENCE FIELD IMPROVEMENT CLUB,
A. C. DRACH, Chairman,
JOHN I. SMITH, Secretary.

I offer this as a constructive suggestion, and ask that the acting chairman of the Committee on Appropriations most seriously consider it. If housing is not needed, then appropriations should not be made. I should like to have the committee go into the matter in detail, because we in the Senate certainly do not want to be parties to appropriating funds when they are not needed, under the guise of furnishing housing that is unnecessary.

Mr. McKellar. Mr. President, in reply to the Senator, when any such matter comes before us, I shall be very glad to have him appear before the committee.

Mr. WHERRY. I thank the Senator.

PHOSPHORUS SCARCITY AND THE MOBILE PLANT

Mr. HILL. Mr. President, phosphorus is an essential of modern warfare. It is likewise an essential fertilizer if the land of this country is to continue to produce the foods needed for war and in peace. Due to meager production facilities, there is available for all agriculture purposes this year only one-third as much of this vital mineral as our soil requires. And if military requirements expand, even this wholly inadequate amount will be reduced. Admittedly, combat needs must come first. The protection of smoke screens must not be denied, nor the use of incendiary bombs limited by lack of material. The difficulty of estimating military requirements exactly is understood. But there is no difficulty about estimating agricultural needs, and there can be no dispute that there is a critical shortage of phosphorus for use on the land.

This is a subject about which I have been greatly concerned for the past year. In April of 1943 I addressed the Senate at length, pointing out this astonishing blind spot in our national program to increase the production of war-scarce foods. I reviewed the results obtained by more than 40,000 farmers in 29 States, representing every important

agricultural area of the country. These farmers had voluntarily entered into a program undertaken cooperatively between the Tennessee Valley Authority and the extension services of the land-grant colleges in the States. By adding phosphate to their soil these farmers had been able to alter their farm management so as to increase, not diminish, their land's fertility. And at the same time they had expanded their production of meat and eggs and dairy products, all war-scarce foods, without any additional manpower or machinery. I called it the substitution of land power for manpower. I deplored then, and I now deplore, the fact that among all the measures proposed to assist our farmers to more abundant production of needed foods, there was no recognition of the fundamental fact that the soil of our country is hungry for phosphate.

At that time I pointed out that the failure of the War Production Board to release critical materials to build a plant proposed for erection near Mobile, Ala., was only one indication of official blindness to what may be our major national problem, not only during war years but afterward. That plant was recommended for construction by the Tennessee Valley Authority, which has perfected new methods and new and highly concentrated phosphatic fertilizers at its plant at Muscle Shoals and, pursuant to congressional authorization, has assumed national leadership in demonstrating their use to farmers. Part of the facilities at Muscle Shoals had already been diverted to the production of elemental phosphorus for combat uses. Agriculture's supply was being restricted, and military needs were mounting. To meet the situation, T. V. A. proposed to build a plant at Mobile to produce phosphorus for military purposes during the war and for fertilizer in time of peace. The extensive Florida phosphate-rock deposits would be tapped, and water transportation would guarantee cheap and highly concentrated fertilizers to the farmers of the Midwest as well as to farmers of the South.

The project was approved by the Congress, and money was appropriated 2 years ago. But ever since that date construction has been held up by the War Production Board. Now that it is generally understood that the shortage in materials needed for building has been relieved, there is no further excuse for inaction. Agriculture needs now, if the Army and Navy do not, the 50,000 tons of phosphorus which that plant could produce. Our land needs more phosphate—much more than we have the capacity to produce. The Mobile plant is only a small part of a needed program of expansion. Plants should be built in the West to tap the phosphate reserves lying there. The facilities of private industry should be expanded way beyond the minor increases approved by W. P. B. in recent months. The Mobile plant is an immediate step, however. A site has been acquired; designs are ready. Work can go ahead at once. To increase the fertility of our soil for the future, to save manpower and machinery, while at the same time expanding food produc-

tion—these are the reasons why our production of phosphorus should be tripled and increasing amounts be made available for use on the land.

We should not tolerate the scarcity any longer or permit this ridiculously scant supply for agriculture to be jeopardized by the uncertainty of future military requirements. That we are beginning the third year of war without any substantial effort to remedy such a critical situation is inexcusable.

Last July I introduced a resolution (S. Res. 172) authorizing an investigation of the problem. Since that time there has been increasing recognition of the importance of phosphate. On October 27, a special committee of the Association of Land Grant Colleges and Universities made a report which has recently become available. The report fully sustains and confirms the facts and conclusions I have given. I am offering it for printing in the RECORD so that all Senators may know what this group of independent and disinterested scientists concluded; and I am going to urge with all my power an immediate investigation by the Special Committee to Investigate the National Defense Program, so that it can be determined why the weight of scientific opinion, the practical experience of more than 40,000 individual farms, and the recommendation of a responsible Government agency ratified by approval of the Congress have been disregarded. If failure to release materials for the plant at Mobile is due to indifference, that can be remedied. If it is due to the influence of that segment of the fertilizer industry which would sacrifice the soil's fertility to its own out-worn policies of marketing, that must be remedied. We have been patient too long.

Therefore, Mr. President, I ask unanimous consent to have the report of the special committee on the preservation of phosphate resources and their national use printed at this point in the RECORD, as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE SPECIAL COMMITTEE ON THE PRESERVATION OF PHOSPHATE RESOURCES AND THEIR NATIONAL USE FILED AT ANNUAL MEETING OF ASSOCIATION OF LAND-GRANT COLLEGES AND UNIVERSITIES, CHICAGO, ILL., OCTOBER 27, 1943

Food, shelter, and clothing are elementary requirements of living. They are products of the soil. Their production represents a continuous drain on the fertility of the soil. Inasmuch as phosphorus is the key element in the conservation of soil fertility, the correct use of an adequate supply of phosphatic fertilizer is fundamental to national welfare. The scope of the problem of supply is broad. Indications are that at least 80 percent of the soils of the United States are now deficient in phosphorus. The problem is particularly critical at this time because of the demands placed upon American farmers to increase wartime food production despite the shortage of farm labor and farm machinery.

The importance of phosphatic fertilizer in increasing crop production, in improving the quality of both human and animal food-stuffs, in controlling soil erosion, and in making better farm practices possible are too well known to need elaboration in this report. Some of the most significant results obtained repeatedly on the 30,000 farms whose opera-

tors are participating in the test-demonstration program conducted by the land-grant colleges in cooperation with the United States Department of Agriculture and the Tennessee Valley Authority merit special attention.

The increases in crop production through the use of concentrated phosphatic fertilizers and adjusted farm management have been spectacular in many cases. Likewise, in the production of livestock, the results obtained through the use of phosphatic fertilizers on pastures have been highly significant. The reduction in growing acreage required per 1,000 pounds of livestock produced has been from 20 to 63 percent. A saving of about 30 percent in farm labor and a 35-percent increase in the production with the same amount of farm machinery has been recorded. Farm standards of living have been raised and farm incomes increased. Taken as a whole, the results obtained on the 30,000 farms participating in the test-demonstration program are of unsurpassed importance in reducing to a quantitative basis the benefits which can come from the intelligent use of phosphatic fertilizers in a system of correct farm management.

The results emphasize the need of a new approach to the whole problem of phosphate supply for agriculture. The situation is only confused by citing statistics of the sales of fertilizers as a measure of the agricultural need of phosphate. The quantity of phosphate necessary to maintain soil fertility, without which permanent agriculture is doomed, cannot be measured by the amount which the farmers have been able to buy under the unfavorable conditions which have prevailed in regard to supply and price.

On the test-demonstration farms mentioned above it has been shown that phosphate equivalent to 17 pounds of P_2O_5 per acre per year, in combination with lime, shall be used advantageously and economically under good farm management. If this rate of application were made on only the farms in the humid areas of the United States, the total requirement would be for 3,400,000 tons of P_2O_5 per year. The fertilizer industry claims to have a production capacity of somewhere between 1,500,000 and 1,700,000 tons per year, although actual production in 1943, when phosphate is so desperately needed, will be only about 1,100,000 tons.

It is obvious that a very great expansion of phosphatic fertilizer production is needed if soil fertility is to be maintained in this country, and if farmers are to have the opportunity to use what they can effectively use. And the expansion should be in the production of the concentrated phosphates which permit economy in packaging and distribution costs. At present less than one-fifth of the phosphatic fertilizer produced in this country is in the form of concentrated phosphate.

The war has created a new situation with respect to both nitrogen and phosphorus supply. Within the past 3 years several large plants have been constructed to produce ammonia and ammonium nitrate for munitions. Agricultural needs for nitrogen were given but scant consideration, and no provision was made for increasing the production of phosphatic fertilizer which agriculture would surely need. The Tennessee Valley Authority, however, obtained from Congress, 2 years ago, permission and funds to build a concentrated fertilizer plant at Mobile, Ala. The Mobile location was chosen because Florida rock phosphate could be used. The Tennessee deposits are very limited in comparison with those of Florida and of the Western States.

The Mobile plant has not been constructed because allotment of construction materials could not be obtained from the War Production Board. There was, so it was said, sufficient phosphorus production capacity available for war, and the fertilizer industry, so it said, had ample capacity for fertilizer needs.

Within the past few months the situation has radically changed again. The need of ammonium nitrate in munitions has decreased greatly and agriculture has fallen heir to a large supply of the material. And the war need for phosphorus for military use is suddenly discovered to be much greater than had been anticipated. New production must be had with all speed. There is now no time to put new phosphate smelting furnaces at Mobile, Ala. They must be put up adjacent to the existing furnaces which draw their raw rock phosphate supply from the Tennessee deposits which are relatively limited. These new furnaces are for war production, and if now needed must be built with all speed. They may be turned to production of fertilizers after the war, but if so will still leave the problem of an adequate supply of concentrated phosphatic fertilizer unsolved. The Mobile plant planned by the Tennessee Valley Authority will still be needed and so will several other plants for the production of concentrated fertilizer. It would be highly desirable that one or more of the new plants needed be built in the West, and a later section of the present report deals specifically with this project.

The problems of a greatly increased supply of phosphatic fertilizer become particularly important in view of the likelihood of a cheaper and more abundant supply of nitrogen for agriculture. Nitrogenous fertilizer is a powerful stimulant of plant growth. And an increased plant growth means an increased uptake of phosphorus and potash from the soil. One of the unfortunate aspects of fertilizer use has long been the fact that a nitrogenous fertilizer accelerates the depletion of the mineral elements of fertility from the soil. If, as a result of the ammonia plants built for war, agriculture is to have cheaper nitrogen, it is certain that this will be a curse rather than a blessing if provision is not made to supply also an abundance of cheap phosphatic fertilizer.

Your committee believes that the need of agriculture for phosphate should be measured by the amount necessary to maintain permanent agriculture, and that it is time to cease measuring need in terms of what the fertilizer industry is prepared to sell.

It appears to your committee that it is high time that the Association of Land Grant Colleges and Universities took an active part in the development and execution of a comprehensive plan to assure agriculture an abundant supply of phosphatic fertilizer in the all-out effort which must now be made for increased food production, and to assure agriculture in post-war years of a supply adequate to maintain soil fertility.

A PROPOSAL FOR THE ESTABLISHMENT OF A FEDERALLY OWNED FERTILIZER FACTORY USING WESTERN PHOSPHATE AND POTASH

The largest and richest of the deposits of natural rock phosphate in the United States lie in the Western States of Utah, Wyoming, Idaho, and Montana. Most of this phosphate is federally owned, some is held by the individual States, and some by private corporations or individuals.

Most of the phosphatic fertilizer used in agriculture in the United States is applied to lands east of the Mississippi River. The rock phosphate from which this fertilizer is produced is mined in Tennessee and in Florida. The deposits in these two States are the only ones of importance in the United States aside from the western deposits mentioned above. Florida is well located to supply phosphate to States on the Atlantic seaboard and Tennessee is well located to supply phosphate to the adjacent Southeastern States. As the States of the upper Mississippi Valley increase their demand for phosphate, as they must inevitably do, the supply must come either from Tennessee or from the West. The phosphate deposits of Tennessee are very small compared with those of Florida

and negligibly small when compared with those of the Western States. An increased demand on the Tennessee deposits will hasten the time, already not far distant, when the Tennessee deposits will be exhausted. In any long-range agricultural program, the western deposits must be called upon to supply the growing phosphate demand of the upper Mississippi Valley, and the sooner this is done the better.

All the commercially exploited potash deposits in the United States are likewise in the western part of the country, some of them on the public domain. At present, potash is being produced commercially at Carlsbad, N. Mex., at Searles Lake, Calif., and at Wendover, Utah. A small plant is being constructed near Salt Lake to utilize the alunite from the Marysvale district of Utah. More than 95 percent of the potash produced in these western operations is shipped to consumers in the eastern and southeastern parts of the United States.

The present proposal is that a federally owned and operated fertilizer plant be constructed in the West at a site somewhere in the region where the States of Wyoming, Utah, and Idaho meet. The construction of such a plant may have to be a post-war undertaking. As such it would fall naturally into the class of projects which the Federal Government is now planning to soften the shock of post-war adjustments in employment.

It does not appear that private industry is likely to undertake such an enterprise as herein proposed, at least not in the near future. The risk to capital would be too great and the opportunity for early profits too small to make the venture attractive. On the other hand, it is vitally important to agriculture that the western phosphate deposits be utilized and that the phosphate be made available to agriculture at a price which is not loaded with a large-profit item.

The products of the plant as now visualized would eventually be three in number, namely, a concentrated superphosphate, calcium metaphosphate, and potassium metaphosphate. All of these are fertilizers of high concentration, such as would lead themselves to shipment over longer distances than are permissible for the ordinary fertilizers now in common use.

The blast-furnace process would be used, inasmuch as cheap hydroelectric power is not at present available near enough to the phosphate fields of the West to permit use of the somewhat simpler electric-furnace process. The Tennessee Valley Authority has been studying means of improving this process for the past 10 years and has operated a small blast furnace over periods of many months. The T. V. A. probably has, today, the best information available in the world on the application of the blast furnace to phosphate smelting and the conversion of the phosphorus to concentrated phosphatic fertilizers of various sorts, including the three mentioned above. The processes for producing calcium metaphosphate and the potassium metaphosphate are T. V. A. developments.

If a blast-furnace plant were constructed, it would probably be prudent to produce only the concentrated superphosphate at first. The supplemental plants for the production of calcium metaphosphate and potassium metaphosphate would be relatively inexpensive additions to the initial plant.

Inasmuch as the T. V. A. has recently made an estimate as to the cost of a blast-furnace plant using western phosphate, a copy of the T. V. A. report¹ is hereto appended with permission from the organization. The cost

¹ Report 14, Part II, The Problem of Utilizing Phosphate From Deposits in the Western States: Possibility of Using the Blast Furnace Method. March 1943. Tennessee Valley Authority, Department of Chemical Engineering, Wilson Dam, Ala.

data used in the appended T. V. A. report are necessarily pre-war cost data. The costs shown in the estimate would be somewhat higher if adjusted to present conditions.

E. G. PETERSON,
Utah, Chairman,
R. M. GREEN,
Colorado,
E. J. IDDIGS,
Idaho,
H. A. CURTIS,
Missouri,
WILMON NEWELL,
Florida.

EXTENSION OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (H. R. 3477) to continue the Commodity Credit Corporation as an agency of the United States, to revise the basis of annual appraisal of its assets, and for other purposes.

Mr. CLARK of Idaho. Mr. President, I have at the desk an amendment which has been printed, which I now offer and ask to have stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, line 17, after the word "to", it is proposed to insert the following: "domestic wool, sugar beets and sugarcane and."

WARTIME METHOD OF VOTING BY MEMBERS OF THE ARMED FORCES—APPOINTMENT OF CONFEREES

Mr. BARKLEY. Mr. President, will the Senator from Idaho permit action on another matter before he asks for action on his amendment?

Mr. CLARK of Idaho. Yes, Mr. President.

Mr. TAFT. Before action is taken on the amendment I wish to say a word.

Mr. BARKLEY. Mr. President, before we resume the consideration of the pending business there is a matter of privilege which I think ought to be disposed of. On yesterday the House returned to the Senate Senate bill 1285, and in its message insisted upon certain House amendments and asked for a conference. I ask that the message be laid before the Senate.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.
February 9, 1944.

Resolved, That the House insist upon its amendments numbered 9, 11, and 12 to the bill (S. 1285) to amend the act of September 16, 1942, which provided a method of voting, in time of war, by members of the land and naval forces absent from the places of their residence, and for other purposes; and

That the House disagree to the amendment of the Senate to the amendment of the House numbered 3 to said bill and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. WORLEY, Mr. RANKIN, Mr. BONNER, Mr. LECOMPT, and Mr. ELLSWORTH be the managers of the conference on the part of the House.

Mr. BARKLEY. Mr. President, on behalf of the Senator from Rhode Island [Mr. GREEN], the chairman of the Committee on Privileges and Elections, I ask unanimous consent that the Senate insist upon its disagreement to amendments of the House numbered 9, 11, and

12, that it insists upon its amendment to the amendment of the House numbered 3, and agree to the conference requested by the House thereon, and that the Chair appoint conferees on the part of the Senate.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. McKELLAR. Mr. President, reserving the right to object; of course, as all Senators know, the Senate elects conferees, but ordinarily, instead of going through that form, the chairman of a committee submits a list of Senators to be appointed conferees, and they are usually appointed by unanimous consent. The rule of the Senate is found in rule XXIV:

All other committees shall be appointed by ballot, unless otherwise ordered, and a plurality of votes shall appoint.

Mr. President, I will make a parliamentary inquiry. Under the rules of the Senate do not conferees have to be elected, unless action is taken by unanimous consent?

The ACTING PRESIDENT pro tempore. It is the opinion of the present occupant of the chair that it is the subject of a proper motion that the Senate in the case presented insist upon its disagreement to the House amendments, and that the Chair appoint conferees. That would be a proper motion. That, in the opinion of the Chair, is subject to amendment—

Mr. McKELLAR. Mr. President, the Senator from Kentucky did not make that as a motion. He asked unanimous consent, and I am reserving the right to object.

Mr. CLARK of Missouri. The Senator from Kentucky still can make the motion.

Mr. McKELLAR. Oh, he can make the motion, but it has to be passed upon by the Senate.

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BARKLEY. There is no question about that.

Mr. McKELLAR. Mr. President, I shall state the reason why I take the position I do. We all know that there has been a very active fight over the measure in the Senate. As I understand, under the proposal made by the chairman of the committee, represented as he is at the moment by the Senator from Kentucky [Mr. BARKLEY], members of the subcommittee which handled the measure would be appointed conferees. The subcommittee is composed of four Senators who favor the Federal ballot plan and one who favors the other plan. The vote in the Senate was exceedingly close. I think the measure was passed by two or three votes—I have forgotten which.

Mr. BARKLEY. Mr. President, the Senator is mistaken. The final vote was 45 to 51. The other vote was 46 to 40.

Mr. McKELLAR. Yes; but when the test vote came the vote was 42 to 44, or 42 to 46, I have forgotten which.

Mr. BARKLEY. Forty-one to forty-five. But be that as it may—

Mr. McKELLAR. But that is an exceedingly small difference.

Mr. President, I think it is utterly unfair and unjust that we should send this bill to a conference with four conferees on one side and one on the other. For that reason it seems to me to be appropriate and proper that the Senate, before doing anything, should vote on the question. Action should not be taken by unanimous consent. I am unwilling to consent to the proposal, and I therefore object to action being taken by unanimous consent.

Mr. CLARK of Missouri. Mr. President, will the Senator from Tennessee withhold his objection for a moment?

Mr. McKELLAR. Certainly.

The ACTING PRESIDENT pro tempore. Does the Senator yield to the Senator from Missouri?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. Mr. President, reserving the right to object myself in order to get the floor, I should like to say that we fought for 2 weeks in the Senate on the question of the soldiers' right to vote. The question was decided on a number of significant ballots, not by a large majority, "not so deep as a well, nor so wide as a church door," but it was enough to indicate the position of the Senate on the question. I should like to suggest to my dear friend, the senior Senator from Tennessee, that the Senate is entitled as a matter of absolute right to have conferees who represent the final action of the Senate.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. CLARK of Missouri. The Senator from Tennessee has the floor of course.

Mr. McKELLAR. Let us look at the question as a matter of right. Is it possible, after the close vote we had in this body that the Senator thinks the conferees ought to be selected on the basis of four on one side and one on the other side?

Mr. CLARK of Missouri. Mr. President, I think they ought to represent the ultimate decision of the Senate, and I think that is the only theory of a conference.

Mr. McKELLAR. Four to one?

Mr. CLARK of Missouri. I have seen the Senator from Tennessee himself repeatedly recommend the appointment of conferees, not on the ground of seniority, but from among the Senators who have been engaged in the handling of a particular bill. In other words, the Senator always wants his own subcommittee when he is in charge of a bill.

Mr. McKELLAR. Oh, of course, and every other chairman wants the same thing.

Mr. CLARK of Missouri. Yes.

Mr. McKELLAR. But not always.

Mr. CLARK of Missouri. The Senator wants to have his cake and eat it, too.

Mr. McKELLAR. The three highest ranking members of the Appropriations Committee on the Democratic side and the two highest ranking on the Republican side are usually chosen. That is done by unanimous consent.

Mr. OVERTON. Mr. President—

Mr. CLARK of Missouri. Why, Mr. President, of course; and that is the decent thing to do.

Mr. McKELLAR. No question is raised about it. But I desire to say that the Senator has never heard me ask unanimous consent that the conferees on a question be in the ratio of 4 to 1, and I challenge him or any other Senator to find any record which would show that I wanted to hog the whole thing. I am perfectly willing to have the 3 to 2 ratio now. I should be willing to grant unanimous consent, so far as I am concerned, if my friends on the other side would be willing to take 3 and give us 2. But when they want 4 to 1, that is going a little too far, and I do not think it is fair; I do not think it is just; I do not think it is in accordance with the sentiment of this body as expressed on numerous votes. For that reason, I object.

Mr. BARKLEY. Mr. President—

The ACTING PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Kentucky?

Mr. BARKLEY. The Senator from Tennessee has objected. Now I wish to enter a motion.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. Before entering the motion, let me make an observation. It has been the universal custom in the Senate, to which there has been no exception so far as I recall, that in the appointment of conferees on the part of the Senate the Chair be authorized to appoint the conferees. In carrying out that authorization it has been the universal custom for the chairman of the committee handling the legislation to suggest to the Chair the names of the conferees. If that is now denied to the chairman of this committee, it will be a denial which has never been registered, so far as I recall, against any chairman of any Senate committee handling legislation.

Furthermore, it has been customary—not invariably the rule, but in nearly all cases it has been the rule—when a subcommittee has been appointed in a committee to deal with the subject of proposed legislation which finally passed the Senate, and upon which a conference is sought and obtained, to suggest to the Chair the appointment as conferees of the members of the subcommittee which handled the legislation and dealt with the subject in the full committee.

I can say to the Senator from Tennessee, the Senator from Louisiana, and to all other Senators, on behalf of the Senator from Rhode Island [Mr. GREEN], that it has been and is his purpose to suggest to the Presiding Officer that the members of the subcommittee which were appointed in the full committee be made the conferees on the part of the Senate in connection with this legislation.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. Just a moment, please. I will give the names of the members of that subcommittee: The Senator from Rhode Island [Mr. GREEN], the Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Vermont [Mr. AUSTIN], the Senator from

New Hampshire [Mr. BRIDGES], and the Senator from Oklahoma [Mr. MOORE].

That is not in the ratio of 4 to 1; it is 4 to 2, according to the votes cast in the Senate on the measure. But certainly no one can deny the propriety and the fairness of making the members of the subcommittee which was appointed in the full committee the conferees on this legislation.

Mr. WHITE and Mr. McKELLAR addressed the Chair.

The ACTING PRESIDENT pro tempore. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I will yield first to the Senator who first rose.

Mr. WHITE. Mr. President, let me say a brief word about the situation. I think there are two practices or customs which confront each other and deny each other at this time. I think it has long been the practice, in the appointment of conference committees, to recognize the seniority of members serving upon the legislative committee. I think it is also true, and I think it is proper, that consideration should be given to the views of the Senate upon the legislation, as those views have been expressed by the votes cast in the Senate. Those two positions cannot be reconciled. The practice has been as I have indicated.

Mr. President, I think we should dispose of this matter. I think the conferees should be appointed today. I think the conferees should begin the task for which they are to be chosen. I cannot help pointing out, however, that the votes in the Senate upon the major issues of consequence were not in the ratio of 2 to 1. Those votes in the Senate were close—sometimes with a margin of only 3 or 4 votes between the prevailing side and the losing side.

If a committee of conference is to be appointed, and if the seniority rule is not to be followed in its full application, then I think there should be recognition of the closeness of the votes in this body. A conference committee composed of three Members from the prevailing side and two Members from the minority side, I think, would very much more fairly and completely represent the views of the Senate than to appoint the Senate conferees in the ratio of 4 to 2.

I appeal to the Senator from Kentucky to suggest that the conference committee be made up of a majority of three and a minority of two. If that is done—

Mr. McKELLAR, Mr. OVERTON, and Mr. ELLENDER addressed the Chair.

The ACTING PRESIDENT pro tempore. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I will yield first to the Senator from Tennessee, if the Senator from Maine has concluded.

Mr. WHITE. I think I have said all I regard to be pertinent. I have stated what I consider to be the proper rule, and I have hope that the Senator from Kentucky will feel that a 3-to-2 ratio in the membership of the conference committee will more fairly represent the collective judgment of the Senate than a 2-to-1 or a 4-to-2 ratio. I hope the

Senator from Kentucky will agree to have a 3-to-2 ratio on the conference committee.

Mr. McKELLAR. Mr. President—

Mr. BARKLEY. Mr. President, I ask the Senator from Tennessee to bear with me for a moment.

Mr. McKELLAR. Very well.

Mr. BARKLEY. In the first place, the question which is really involved here is whether we are to make an exception in this case, and are to adopt a procedure which has not been adopted in any other case before the Senate. We would deny the Chair the right to appoint the members of the conference committee, and thereby would automatically deny to the chairman of the legislative committee which has handled the legislation the right which has been enjoyed from time immemorial by the chairman of every committee handling legislation, namely, the right to suggest the names of the conferees. It would also abrogate the practice of allowing the chairman of a committee to suggest the names of members of subcommittees which have been appointed within the committee. I think I can say, not as a prophet, but merely as a matter of common sense, that if we abrogate the practice in this case, that abrogation will rise to stare the chairman of every Senate committee in the face in the future when we are dealing with the right of a chairman to suggest the names of the conferees on a measure.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I have promised to yield first to the Senator from Tennessee.

Mr. CLARK of Missouri. I should simply like to remark in connection with what the Senator has said that if we override the right of the chairman to make the recommendation in this case, so far as I am concerned so long as I stay in the Senate no conferees will be appointed by unanimous consent.

Mr. BARKLEY. Mr. President, I agreed to yield first to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I said "4 to 1." I wish to read the proposed conferees included in the unanimous-consent request: The Senator from Rhode Island [Mr. GREEN], who is for the Federal voting bill; the Senator from New Mexico [Mr. HATCH], who is for the Federal voting bill; the Senator from West Virginia [Mr. KILGORE], who is for the Federal voting bill; the Senator from Vermont [Mr. AUSTIN], who is for the Federal voting bill; the Senator from New Hampshire [Mr. BRIDGES], who is not here, but has just been married and is on his honeymoon. He will not be here, and there will be five members of the committee, four of whom will be for the Federal voting law, and only one, the Senator from Oklahoma [Mr. MOORE], will be against it. That is the truth of the matter, and it cannot be denied. We all know the facts. We all congratulate the Senator from New Hampshire [Mr. BRIDGES] on his good luck in getting married, and we are not going to bring him back here, and I am sure the committee and the

Senate have no intention of bringing the Senator from New Hampshire back here, away from his honeymoon, to serve on the conference committee. [Laughter.]

Mr. BARKLEY. If the Senator will permit me, in that regard, of course, we all congratulate the Senator from New Hampshire upon his contemplated wedding, or, if it has already taken place, we congratulate him upon that. At whatever stage it now rests, I congratulate him. So far as I know, he has not indicated any desire to avoid service in the Senate because of his matrimonial venture. If he should indicate such a desire, and should make it officially known, of course the Chair would appoint some other Senator in his place, and the proportion would be the same.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. Let me say to the Senator from Kentucky that a day or two ago the Senator from New Hampshire notified me that he would be absent from the Senate for several days, and that he would be unable to serve on the conference committee. He suggested to me that the next ranking Republican member of the committee, who is the Senator from Nebraska [Mr. BUTLER], be named in his place.

Mr. BARKLEY. I had not received such information. However, that would still preserve the status quo, not only as to the committee, but as to the Senator from New Hampshire.

It seemed to me that what is asked is fair and reasonable. It has never been questioned before, even in cases in which all the conferees represented the views of the Senate and there was no Senator among the conferees who had voted against the measure.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. Does the Senator know of any such case as that? I have never heard of it. Of course, I have not been here as long as has the Senator from Kentucky.

Mr. BARKLEY. The Senator from Tennessee came to Congress when I was in knee pants. [Laughter.] He came to the Senate at least 10 years before I became a Member of the Senate.

Mr. McKELLAR. The Senator was down in the woods of Kentucky. I do not know what sort of breeches he wore, but he was a big boy then. [Laughter.]

Will the Senator yield to me for something serious?

Mr. WHEELER. Mr. President—

Mr. BARKLEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. Let me call attention to what the effect of this proposal would be. Of course, the Senator from Rhode Island [Mr. GREEN] should be named as a member of the conference committee. The next Senator in seniority on the Committee on Privileges and Elections is the Senator from South Carolina [Mr. SMITH]. He has been a Member of the Senate longer than any of us. Why should he be turned down? Why

should the rules be violated to turn down **ED SMITH** when conferees are appointed?

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McKELLAR. The next Senator in order of seniority on the Committee on Privileges and Elections is the Senator from Texas [Mr. **CONNALLY**]. Why should he be turned down? Why should he not be named as one of the conferees? The practice is uniform. I call on my friend the Senator from Louisiana [Mr. **OVERTON**], who has suffered by that rule time and again in the Appropriations Committee. Time and again he has served on a subcommittee, but has not been named as one of the conferees.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. McKELLAR. It seems to me that we ought to be fair. I intend to propose—

Mr. BARKLEY. Mr. President, I do not yield for any proposal. I have the floor.

Mr. McKELLAR. When the Senator nominates his ticket, I shall nominate another ticket. If the Senator will yield to me, I will read that ticket.

Mr. BARKLEY. Just a moment. I wish to reply to some of the suggestions which have been made before I yield any further.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHEELER. I wish to correct the statement of the Senator to the effect that he has never known the practice to be questioned that when the chairman of a committee suggested the names of conferees and suggested the members of a subcommittee the members of the subcommittee were appointed conferees. I have a very distinct recollection of that practice being questioned on the floor of the Senate. The order of seniority was always followed until recently. Many years ago, when I first came to the Senate and before the Senator from Kentucky was a Member of the Senate, the question was raised on the floor of the Senate, and the order of seniority was followed. We have not always followed it since then, but it was the almost invariable rule that seniority should be followed unless some Senator did not wish to serve as one of the conferees.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WHEELER. Let me finish my statement. That rule has been followed in practically all the committees of the Senate. The Senator from Kentucky says that he does not know of an instance of the practice being questioned. It certainly has been questioned in this body since I have been a Member of the Senate.

Mr. BARKLEY. Mr. President, in that connection let me remind the Senate that some years ago a bill was reported from the Committee on Banking and Currency by the Senator from Virginia [Mr. **GLASS**], who, as I recall, was chairman of the committee. The bill had to do with banking. The then Senator from Florida, Mr. Fletcher, was the ranking Democratic member of that committee. As was customary, the Sen-

ator from Virginia submitted a list of suggested conferees to the Chair when the matter of the appointment of conferees was under consideration. The list omitted the senior Senator from Florida, Mr. Fletcher, who was the ranking Democratic member of the committee.

Mr. CLARK of Missouri. He was chairman of the committee.

Mr. BARKLEY. He was not appointed. As I now recall, the reason for that was that the Senator from Florida had not been active in connection with the legislation, and the Senator from Virginia had been very active. I think he was the author of the bill. In suggesting the names of conferees, he named those who had been active in connection with the bill, a majority of whom were in favor of the bill.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. The Senator will recall that on that occasion Senator Fletcher, of Florida, chairman of the Committee on Banking and Currency, had not opposed the bill, but he simply had not been active in connection with the bill, and the Senator from Virginia, who is now President pro tempore of the Senate, being in charge of the bill, exercising his right, as he considered it, submitted a suggested list of conferees. He suggested the names of members of the subcommittee, Senators who had been active in connection with the bill, and who had considered it. The Senator from Florida raised no objection.

Mr. BARKLEY. In that connection, I was mistaken in saying that Senator Fletcher of Florida was the ranking Democratic member. He was chairman of the committee.

Mr. CLARK of Missouri. And the Senator from Virginia was chairman of the subcommittee.

Mr. BARKLEY. The Senator from Virginia, who handled the legislation, was chairman of the subcommittee of the Committee on Banking and Currency; and when he suggested to the Chair the names of conferees he suggested the names of Senators who had been active in connection with the bill. The list did not include the chairman of the Committee on Banking and Currency.

Mr. WHEELER. Does the Senator contend that a subcommittee handling legislation ought to be able to name the conferees?

Mr. BARKLEY. I am talking about what happened.

Mr. McKELLAR. It is usually done by unanimous consent.

Mr. WHEELER. If that practice is to be followed in this body, we shall have nothing but chaos in the committees.

Mr. BARKLEY. I cannot agree to that.

In the appointment of subcommittees seniority is not always observed within the committee. It is not observed in the Appropriations Committee. It is not observed in any other committee. That is a matter which is subject to rules within the committee. I recall that when the O. P. A. legislation was under consideration former Senator Brown of Michigan

was appointed chairman of the subcommittee to handle that bill. When the committee had concluded its work and the bill had been passed by the Senate, in accordance with the custom he suggested as members of the conference committee the members of the subcommittee which had handled the bill, and they were appointed conferees on the part of the Senate.

Mr. ELLENDER and **Mr. TAFT** addressed the Chair.

The **ACTING PRESIDENT** pro tempore. Does the Senator from Kentucky yield, and if so to whom?

Mr. BARKLEY. I yield to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, the seniority rule has been violated on numerous occasions. When I had been a Member of the Senate for 16 months I was seventh in seniority on the Committee on Education and Labor. I was selected to be a member of the conference committee on the wages-and-hours bill, as my colleague the Senator from Kentucky [Mr. **BARKLEY**] may recall. The reason given for my appointment was because of my activity in respect to the passage of the bill and my knowledge of its contents. I think it a good rule for us to select Senators who have been actively engaged in the passage of a bill and who are thoroughly versed as to the contents of a bill. Aside from that, Mr. President, I am wondering if the Senate is now about to engage in a fight over an issue which has been settled by this body. It strikes me that whether a Senator is in favor of the majority or the minority side, he is duty bound to represent the Senate and to maintain the majority view of the Senate.

I propound this parliamentary inquiry to the Chair: Whether the conferees are for the minority or the majority side, should they not support the majority view of the Senate?

The **ACTING PRESIDENT** pro tempore. Although the Chair knows of no rule governing the matter, it is the opinion of the present occupant of the Chair that the representatives of the Senate are presumed to represent the views of the Senate.

Mr. ELLENDER. I have enough faith in the Members of this body to believe that whoever is appointed to represent the Senate in conference, such representatives or conferees will fight for the majority view of the Senate.

Mr. LUCAS. Mr. President—

Mr. BARKLEY. I yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I wish to make one observation in view of what the distinguished acting minority leader [Mr. **WHITE**] said a moment ago with respect to seniority, and also in reply to what other Senators have said in regard to seniority prevailing.

If five members of the conference committee were appointed according to seniority, there would be appointed the Senator from Rhode Island [Mr. **GREEN**], the Senator from Texas [Mr. **CONNALLY**], and the Senator from South Carolina [Mr. **SMITH**] from the Democratic side, and the Senator from Vermont [Mr. **AUSTIN**] and the Senator from New Hampshire [Mr. **BRIDGES**] from the Republican side.

If the rule of seniority were followed there would be three members of the committee definitely opposed to the uniform Federal ballot, and two who are in favor of the uniform Federal ballot. It is all very well to say that the Senate conferees will represent the Senate in what the Senate has done. If that is the situation there is no reason for making any fight against the committee suggested by the Senator from Rhode Island. If the conferees are to represent the true sentiments which have been expressed by the majority of the Senate, in line with what my distinguished friend from Louisiana [Mr. ELLENDER] has said, and will enter the conference and do yeoman service for what the majority of the Senate said should be done, there should be absolutely no reason for any controversy on the floor of the Senate at this moment.

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me in order that I may be permitted to ask a question of the Senator from Illinois?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. Will any Senator, of any persuasion of thought, say that the Senate is not entitled to have agents—and that is all the conferees are—who will well and truly, so far as they can, represent the opinion of the majority of the Senate as evidenced by its final action on this matter?

Mr. LUCAS. Of course, the Senator is absolutely correct. I am making the argument only from the standpoint of seniority, because the question was raised by the Senator from Montana [Mr. WHEELER] and the Senator from Maine [Mr. WHITE]. If the rule of seniority is to be strictly followed in appointing conferees, the Senate, which is in favor of the uniform Federal ballot, will be sending to conference a minority of Members who are in favor of the Federal ballot, and a majority of members who are opposed to it. That does not seem to me to be in keeping with our votes in the Senate during the last 2 weeks.

I have the utmost respect for all my colleagues in the Senate. I have great respect for the chairman of the Committee on Agriculture and Forestry [Mr. SMITH], who is my chairman. I have great respect and affection for one of the most distinguished Members of this body, the Senator from Texas [Mr. CONNALLY]. However, I do not believe it would be correct to say that their hearts are in this measure, and that they would go into the conference and fight for the majority view of the Senate. I do not believe they would. I may be mistaken about it. If I were a minority member of the conference committee I would be fighting for the best interests of the minority. That is what I would be put on the conference committee for.

I wish to cite to the Senator from Kentucky one example of what has happened in the Senate with respect to appointing subcommittees. My good friend the Senator from Arizona [Mr. McFARLAND] was appointed by the Senator from Montana [Mr. WHEELER], chairman of the Interstate Commerce Committee, as chairman of a subcommittee having to do with one of the most important measures which has ever been before the

Senate, namely, the telegraph merger under the Federal Communications Act of 1934. On that subcommittee, in addition to the Senator from Arizona [Mr. McFARLAND], were the Senator from Alabama [Mr. HILL], and the Senator from Delaware [Mr. TUNNELL], from the Democratic side of the aisle, and the Senator from Maine [Mr. WHITE], and the Senator from Vermont [Mr. AUSTIN], from the Republican side of the aisle. We all remember the debates which were had on the bill, and the conferences held later with the House.

From the standpoint of seniority the Senator from Arizona was far down the line. From that angle he would not have been entitled to be on the committee at all; and yet the Senator from Montana, who now talks about seniority, appointed him a member of the subcommittee, and all the members of the subcommittee were appointed conferees to represent the Senate in connection with that important measure. Why did the Senator from Montana appoint those Senators? He did it, Mr. President, because they were familiar with the legislation. They were familiar with what had taken place in the committee, and the Senator from Montana knew it.

Mr. WHEELER. Mr. President, will the Senator yield to me to make a statement?

Mr. LUCAS. I do not have the floor.

The ACTING PRESIDENT pro tempore. Does the Senator from Kentucky further yield, and if so, to whom?

Mr. LUCAS. Allow me to make a brief statement, and then I shall be through.

I have stated what has been done in the Senate. Members of the subcommittee were all appointed members of the conference committee.

Another very interesting bill, which was reported by the Judiciary Committee, was considered by the Senate during the first session of the present Congress. I refer to the bill providing for the appointment of official court reporters in the United States district courts. The Senator from West Virginia [Mr. KILGORE], the Senator from Nevada [Mr. McCARRAN], and the Senator from Michigan [Mr. FERGUSON] were appointed members of the subcommittee to consider the bill, and they were all appointed later as members of the conference committee.

The same situation occurred in the first session of the present Congress in connection with another very important measure; namely, the petroleum pipeline bill. The Senator from Tennessee [Mr. STEWART], the Senator from Missouri [Mr. TRUMAN], and the Senator from South Dakota [Mr. GURNEY] were members of the subcommittee which handled that very important piece of legislation. The Senate saw fit to appoint those three Senators conferees.

No Senator wishes to be fairer than does the Senator from Illinois. All I want is a fair representation of the Senate on the conference committee. I do not care whether five or seven conferees are appointed. However, if we are to follow the rule of seniority those of us who feel seriously about the uniform Federal ballot—and we all know what an acri-

monious struggle we have had here—will be in the minority on the conference. I do not believe any Senator wants to place us in the minority.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHEELER. With reference to the legislation to which the Senator from Illinois has referred, I did appoint the subcommittee, and the members of that subcommittee were later appointed members of the conference committee. That action was taken because of the fact that so far as the Senate was concerned, there had been no contest in regard to the measure when it was under consideration. I think the Senate was practically unanimous in its action on that bill. However, I do not appoint conferees in the Interstate Commerce Committee. If objection is raised in the committee or on the floor of the Senate, I follow the seniority rule in suggesting the names of conferees.

Mr. BARKLEY. Did the Senator ever have occasion to suggest conferees when there was an objection on the floor of the Senate?

Mr. WHEELER. I have never had a case in which there was objection.

Mr. BARKLEY. Of course not.

Mr. WHEELER. But in the present instance an objection is made in a highly controversial case. It seems to me, regardless of whether seniority is observed, that there can be no justification for the appointment of six members in the ratio of 4 to 2.

The Senator has said that it would be satisfactory to appoint three from one side and two from the other. I have no interest in the matter one way or the other, but I think, in the interest of fairness, that what should be done is to appoint three from one side and two from the other. It is very foolish, in my judgment, to enter into a controversy on the floor of the Senate over this issue. It ought to be settled by appointing three from one side and two from the other. To do otherwise would not be justifiable. It would look rather bad. All the conferees, regardless of which side they represented on the floor of the Senate and which side they voted on, will have to support the Senate view in the conference until such time that they cannot come to an agreement, and bring the matter back to the Senate.

Mr. CONNALLY. Mr. President—

Mr. BARKLEY. I yield to the Senator from Texas.

Mr. CONNALLY. I thank the Senator from Kentucky for yielding. Because of the remark of the Senator from Illinois referring to the Senator from Texas, I feel compelled to make a statement. The Senator from Illinois has done me the favor of interpreting my motives and my intentions about this matter. I do not want to be on the conference committee; I have no desire to be on the conference committee. I assume, however, that any conferee who is an honest man who goes on the conference committee is going to represent, to all reasonable extent, the views of the body that appoints him and the views in this case of the Senate. Any

other situation would be contrary to established parliamentary usage and the highest parliamentary ethics. If I represent a man in court, I represent him; I do not take a hand-out on the side from someone on the other side. But according to the views of the Senator from Illinois, we will never get any bill at all, because, if the Senate conferees are now instructed never to budge and the House conferees are instructed never to budge, certainly no agreement can be reached.

One thing, it seems to me, that Senators have overlooked is the original bill, which is what the conference will be about. The original bill was passed by the Senate when I was not here, and I was not interested in it. The original bill was representative of the views of the Senate at that time, but it is wholly different from what the Senate has done recently. My view, if I were a conferee—and I do not want to be a conferee, and I hope no one will put me on the list, because I do not want to go on the conference committee with the implication on the part of any Senator that I am going to misrepresent the Senate.

Mr. BARKLEY. Mr. President, let me say to the Senator—

Mr. CONNALLY. Just a moment; let me finish this statement. I do not want to go on the conference committee and have no desire to serve on it, but if I were a conferee and we reached a point where the difference was fundamental and serious and we could not agree, I would, if I had my way, come back to the Senate, report to the Senate, and ask for instructions from this body as to what I should do in that case.

It seems to me the very theory of conferences is that both sides should not stand out like stone walls, in which event there is no occasion to have a conference. I want to see some sort of soldier's bill enacted and in the committee I voted to report the Federal ballot bill, because I thought at that time it might meet objections that many Senators had to it and that I had to it, but transactions on the floor of the Senate afterward convinced me I could not consistently support it.

Mr. BARKLEY. Mr. President, I want to say this to my very dear friend the Senator from Texas: I am sure that nothing any Senator said was intended or should be interpreted as in any way impugning the legislative integrity of the Senator from Texas.

Mr. CONNALLY. The Senator from Illinois said that he assumed that I would go into the conference and the Senator from South Carolina [Mr. SMITH] would go into it and would fight for our side.

Mr. BARKLEY. I do not think the Senator from Illinois meant that.

Mr. CONNALLY. He said it; I do not know whether he meant it.

Mr. BARKLEY. I hope the Senator from Texas will not insist—

Mr. CONNALLY. I am not mad about it. I am speaking of the lack of the Senator from Illinois to appreciate the ethics of the situation.

Mr. BARKLEY. I hope that the Senator from Texas will not insist upon his

unwillingness to serve because I think we have got this thing worked out.

Mr. CONNALLY. I should not want to serve under any circumstances unless it was by the practically "unanimous" action of the Senate. I do not propose to be put up here—

Mr. BARKLEY. I believe it will be "unanimous" if the Senator will permit me to say so.

Mr. CONNALLY. I do not want to serve. To tell the truth, I have some other engagements that I would much prefer to follow than to serve on the conference committee.

Mr. BARKLEY. After conferring with the Senator from Tennessee, the Senator from Louisiana, the Senator from Vermont, the Senator from Illinois, the Senator from Maine—and I am willing to submit the matter to any other Senator who can now be reached—the suggestion has been made that the following be appointed conferees by "unanimous" consent.

Mr. CONNALLY. If the Senator will practice on that word a little he will get it right.

Mr. BARKLEY. I will get it right; I always try to practice on any suggestion the Senator from Texas offers me.

As I was saying, the suggestion has been made that the following Senators be appointed conferees: The Senator from Rhode Island [Mr. GREEN], the Senator from Texas [Mr. CONNALLY], the Senator from New Mexico [Mr. HATCH], the Senator from Vermont [Mr. AUSTIN], and the Senator from Nebraska [Mr. BUTLER]. I think that the Senator from Texas under those circumstances ought to serve, and I am satisfied that such an arrangement will be satisfactory to both sides of the Senate.

Mr. McKELLAR. Mr. President, may I express the very earnest hope that the Senator from Texas will serve under those circumstances.

Mr. CONNALLY. What I was about to say to the Senator from Kentucky a moment ago was that I did not propose that my good faith and my conceptions of ethics and my ideas of integrity of view should be tested by a vote. I do not want to serve if a single Senator objects.

Mr. BARKLEY. I would agree with the Senator about that, and if the Senator's good faith and his integrity were put to a vote in the Senate it would be endorsed "unanimously."

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Illinois.

Mr. LUCAS. I want to say to my distinguished friend from Texas that the last thing in the world I even thought of was any implication impugning the motives or integrity of my friend from Texas. I have served with him 5 years in the Senate. I have gone to him frequently for advice and counsel; I have great respect for him; I know, as I said in my opening remarks, that he is one of the most distinguished Members of the Senate; I shall vote for him as a member of the conference committee, and I know the Senator will give real service to both sides in the case.

Mr. CONNALLY. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. CONNALLY. On account of the enthusiastic and overwhelming insistence of the Senator from Illinois, I might be prevailed upon. [Laughter.]

Mr. BARKLEY. I now renew—

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. OVERTON. I want to say that I am very pleased to know that this controversy has been brought to so happy a termination. The conferees suggested by the Senator from Kentucky meet with my approval.

Mr. BARKLEY. I now renew my unanimous-consent request that the Chair be authorized to appoint the conferees on the part of the Senate and that the following conferees be appointed:

The Senator from Rhode Island [Mr. GREEN], the Senator from Texas [Mr. CONNALLY], the Senator from New Mexico [Mr. HATCH], the Senator from Vermont [Mr. AUSTIN], and the Senator from Nebraska [Mr. BUTLER].

Mr. McKELLAR. I have no objection, Mr. President, to that unanimous-consent request.

Mr. CLARK of Missouri. Since the conferees operate under the unit rule, I will say that I have no objection.

Mr. BARKLEY. Hurry up, Mr. President, before some Senator objects.

The ACTING PRESIDENT pro tempore. Does the Senator from Kentucky include in his motion the necessary preliminary motion?

Mr. BARKLEY. Yes; I now make the request that the Senate insist upon its disagreement to the amendments of the House of Representatives Numbered 9, 11, and 12. That the Senate insist upon its amendment to the amendment of the House Numbered 3, and agree to the conference requested by the House thereon; and that the conferees on the part of the Senate be appointed by the Presiding Officer.

That, I understand, is the necessary procedure.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. McKELLAR. Let the conferees be appointed.

The ACTING PRESIDENT pro tempore. The Chair appoints as conferees on the part of the Senate the Senator from Rhode Island [Mr. GREEN], the Senator from Texas [Mr. CONNALLY], the Senator from New Mexico [Mr. HATCH], the Senator from Vermont [Mr. AUSTIN], and the Senator from Nebraska [Mr. BUTLER].

Mr. McKELLAR. Mr. President, I wish to reply to a very remarkable argument made a while ago by the Senator from Kentucky—

Mr. CLARK of Idaho. Mr. President, I think I have the floor.

The ACTING PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Idaho?

Mr. CLARK of Idaho. I understood I had the floor. I yielded to the Senator

from Kentucky only for the purpose of asking unanimous consent.

Mr. McKELLAR. I did not know that. I thought I had been recognized in my own right. Will the Senator yield to me for a moment?

Mr. CLARK of Idaho. I am glad to yield.

Mr. McKELLAR. Some question was raised here about the ages of two Senators, I being one and the Senator from Kentucky [Mr. BARKLEY] the other. The Senator from Kentucky made the astounding statement that when I was in the House of Representatives a good many years ago, he was a boy in short breeches. I wish to read from the Congressional Directory the biographical sketch of the Senator. He was born in Graves County, Ky., November 24, 1877. I went to the House in 1911. Therefore, when my distinguished friend was wearing short breeches, he was just 34 years of age. I am utterly astounded that, though he came from Graves County, Ky., in the country, he should have been wearing short trousers—short breeches—at that time. [Laughter.]

Mr. BARKLEY. Short pants.

Mr. McKELLAR. Thirty-four years old, and wearing short breeches! The remarkable thing about it is that the very next year he was elected to the House of Representatives. I wonder whether he was in short breeches when he came to the House of Representatives in 1913.

Mr. BARKLEY. If the Senator will yield in that connection, I have never denied my age. It is in the directory, where everyone can see it. I have searched in vain to find in the directory the age of my very dear friend, the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I received hundreds of letters of congratulations and innumerable telegrams just a few days ago when I celebrated my birthday.

Mr. BARKLEY. How old was the Senator?

Mr. McKELLAR. Seventy-five years old, and the Senator is 9 years younger than I am.

Mr. BARKLEY. I move, therefore, to insert in the biographical section of the Congressional Directory the date of the birth of the Senator from Tennessee.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. BARKLEY. Getting back to short pants, I merely wish to say that when I came to the House of Representatives in 1913 at the age of 34, I was in long pants, but the Senator from Tennessee has been trying to pull them off me or shorten them ever since. [Laughter.]

Mr. WILEY. Mr. President—

The ACTING PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Wisconsin?

Mr. CLARK of Idaho. I yield.

Mr. WILEY. I have enjoyed the exchange of ideas this morning, and I thought perhaps it might be worth while to give the sentiments in relation to the soldiers' vote of a very distinguished citizen of my State, who is now serving on one of the great "battle wagons" of the Navy. He has written about sev-

eral subjects, but I shall quote his language regarding the vote question, because I think what we have done during 2 weeks of discussion has tended to cause the folks on the home front to become pretty well confused mentally as to the nature of the soldier-vote ballot and the significance of what the soldier thinks on this subject. I quote:

In the first place, from what I have observed, the men in the armed forces don't seem to care much whether Congress passes a soldier's voting law or not, but on the contrary, think that the furor that it has been causing in political circles is extremely funny. I actually question whether even if a Federal law is enacted the men in the armed forces will utilize the privilege of voting, simply because they have plenty of other important things to think about, and mainly their paramount desire is to get the war finished and get home.

I now quote his second suggestion:

Secondly, the mustering-out-pay bill is felt to be closely associated with the right of the soldiers to vote, that the impression the boys at the front have is that it is so much pap and a damn high price to pay for votes. The fellows who get out of this deal with a whole hide aren't going to ask for anything, and mainly want to know that those thousands whose lives are going to be ruined are taken care of.

Mr. President, I have received many letters along this line. This one came in this morning from this distinguished citizen, who, as I have said, is serving on one of the great "battle wagons" in the fleet.

I think many times we "miss the boat" here, and I think we probably have missed it a great deal during the discussion of the subject of soldiers' voting. Let us get the ballots out to the servicemen. I think there is more confusion on this subject than on any we have discussed in the Senate for months.

Mr. CLARK of Idaho. May I interrupt the Senator?

Mr. WILEY. Certainly.

Mr. CLARK of Idaho. I have just a little amendment, which will take only about a minute. It is noncontroversial; and the Senator from Alabama [Mr. BANKHEAD] has to leave the floor, and I want him to hear the amendment explained. Then the Senator may have his own time. Will that be all right?

Mr. WILEY. Certainly.

EXTENSION OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (H. R. 3477) to continue the Commodity Credit Corporation as an agency of the United States, to revise the basis of annual appraisal of its assets, and for other purposes.

Mr. CLARK of Idaho. Mr. President, the clerk has already reported the amendment, which proposes, on page 10, line 17, after the word "to," to insert the words "domestic wool, sugar beets, sugarcane, and."

Mr. President, it was never the intention of the author of the bill, or of the committee, to bring within the prohibitions of the bill the sugar quotas, and words which we thought provided for that are already incorporated in the Bankhead bill, or, to be more exact, the committee amendment. However, since

the bill came out of committee some question has arisen as to whether the words in the committee amendment are sufficient to achieve the result which they were intended to accomplish, and in order to clear up any uncertainty the words provided in my amendment are now proposed.

I have discussed the matter with the Senator from Alabama, and the amendment is perfectly acceptable to him, and should not be controversial.

Mr. TAFT. Will the Senator yield?

Mr. CLARK of Idaho. I yield.

Mr. TAFT. What about wool? I have never heard of a wool subsidy. This is the first mention I have heard that one is to be permitted.

Mr. CLARK of Idaho. There is very little likelihood that wool comes within the prohibitions of the bill, because there is no wool subsidy. However, the Commodity Credit Corporation has been buying domestic wool, at ceiling prices, less certain handling charges, in order to protect the market. Some slight question was raised as to whether that might not be considered to be within the language of the committee amendment, and, in order to be absolutely certain, I have included wool.

Mr. TAFT. I thank the Senator.

Mr. JOHNSON of Colorado. Will the Senator yield?

Mr. CLARK of Idaho. I yield.

Mr. JOHNSON of Colorado. With regard to wool, may I ask the Senator whether the amendment would protect the large supply of domestic wool which is stored? As the Senator well recalls, in this country we have three categories of wool. We have foreign wool that is owned by the R. F. C., purchased through the War Production Board; we have other wool, which is held here for foreign governments; then we have the third category, a large supply of domestic wool which is being held by the Commodity Credit Corporation. Is the Senator satisfied that his language would not compel the domestic wool to be thrown on the market as distress wool?

Mr. CLARK of Idaho. The language in the proposed amendment specifically exempts from the provisions of the Bankhead bill the entire wool-purchasing program, and while I do not think it is really essential, if it is necessary, it would enable the Commodity Credit Corporation, when in its judgment it should do so, to continue to purchase domestic wool—not the British wool—at ceiling prices, less handling charges.

Mr. JOHNSON of Colorado. The Commodity Credit Corporation has not been purchasing foreign wool; it has been purchasing only domestic wool.

Mr. CLARK of Idaho. It has been purchasing only domestic wool.

Mr. JOHNSON of Colorado. I am glad the Senator from Idaho presented the language of his amendment in order to clarify the situation.

I should like to ask another question in regard to sugar. As the Senator knows, we have two payments made to sugar; one is the so-called benefit payment which is financed by the sugar industry itself at no cost to the Treasury, and then there is the incentive payment. Does the

Senator's amendment make it crystal clear that both these subsidies or payments would be continued?

Mr. CLARK of Idaho. I am perfectly satisfied that it does. I have discussed the matter with the Solicitor of the Department of Agriculture. As a matter of fact the language is largely his, and I am perfectly satisfied that it protects the sugar situation in its entirety.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CLARK of Idaho. I yield.

Mr. ELLENDER. The question asked by the Senator from Colorado was one I also intended to ask, regarding incentive payments. Does the Senator's amendment cover the freight and insurance subsidies on sugar?

Mr. CLARK of Idaho. Yes; I think so definitely. I took that matter up also with Dr. Hutson and have all the figures respecting it. I am perfectly certain it covers the matter referred to by the Senator. It exempts sugar and sugarcane completely from the prohibitions of the bill.

Mr. ELLENDER. The language in the Bankhead substitute is:

That none of the foregoing provisions shall apply to any payments or losses incurred in transactions with respect to competitive domestic vegetable oils and fats—

And so forth. It strikes me that the word "domestic" would also refer to sugar.

Mr. CLARK of Idaho. No; because the language of my amendment comes right after the word "to." I propose to insert "domestic wool, sugar beets, and sugarcane and", and the word "competitive" follows immediately. So that it would apply to foreign as well as to domestic sugar.

Mr. ELLENDER. Yes.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. CLARK of Idaho. I yield.

Mr. MILLIKIN. I should like to say that in view of the explanations which the Senator has made to my distinguished colleague, the senior Senator from Colorado, if there were a record vote I should be very happy to vote for the Senator's amendment.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. CLARK of Idaho. I yield.

Mr. BANKHEAD. The statements made by the junior Senator from Idaho deal with matters which are familiar to me. I thought when we placed the provision in the bill authorizing, under title III of the Sugar Act of 1937, benefits to the sugar growers, that it covered the entire situation. That was the intention of the author of the provision. My attention was called later to the fact that one of the three benefit payments might not be covered. I then suggested that an amendment be prepared which would wholly and adequately protect sugar in all the payments being made to it, and the Solicitor of the Department has prepared the language of the amendment which the Senator from Idaho has submitted. I hope the amendment will be agreed to.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. CLARK of Idaho. I yield.

Mr. OVERTON. I should like to ask a question of the Senator from Alabama. As I understand, his bill, as reported, would protect all payments on sugar with the possible exception of incentive payments.

Mr. BANKHEAD. That is correct.

Mr. OVERTON. And the amendment now offered by the Senator from Idaho protects the incentive payments.

Mr. BANKHEAD. I have been so assured by the Solicitor of the Department who rules on the matter, so I am sure it is correct.

Mr. TAFT. Mr. President, has the Senator from Idaho concluded his discussion?

Mr. CLARK of Idaho. Yes. Has the amendment been agreed to?

The ACTING PRESIDENT pro tempore. No; action has not yet been taken on the amendment.

Mr. TAFT. I wish to speak to the amendment, Mr. President. I shall not object to it, because I think there should be some subsidies, but I wish to point out the completely illogical nature of this kind of an exception. It is, of course, illogical to make exemptions, as is done by the bill in this language:

That none of the foregoing provisions shall apply to any payments or losses incurred in transactions with respect to competitive domestic vegetable oils and fats and oil seed and oil-seed meals.

There is no more reason why they should be excepted from the antisubsidy principle than beef or anything else. This exception will permit roll-back subsidies on domestic oil seed, it will permit roll-back subsidies on sugar, it will permit roll-back subsidies on wool when the pending amendment shall be adopted. It will permit any kind of subsidies—consumer subsidies or producer subsidies. The exception being made is simply an exception as to commodity, and certainly no one can oppose subsidies in principle if exceptions are going to be made with respect to oil seed and wool and sugar and anything else that Senators may suggest is of interest to their sections of the country.

The point I wish to make is that if we are going to permit subsidies we ought to permit certain kinds of subsidies in accordance with some kind of logical principle, and not simply by the exception of some particular commodity. I have no objection to the addition of this amendment to the bill, but certainly there is no logical reason that I can see for exempting one commodity if we are not going to permit subsidies in the case of other commodities.

Mr. MURDOCK. Mr. President, as a member of the Committee on Banking and Currency I had full understanding from the Senator from Alabama that the sugar-beet industry of the West, and also wool, were fully protected under the terms of this bill. I wish to take this opportunity of expressing myself as being in full agreement with the amendment offered by the distinguished Senator from Idaho, and if there is any question about the language in the Bankhead bill as it was reported, I am very happy at this time that that language has been corrected by the amendment offered by the Senator from Idaho.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. CLARK].

The amendment was agreed to.

Mr. TAFT. Mr. President, I offer an amendment which I ask to have stated.

Mr. BANKHEAD. Mr. President, will the Senator yield to me for a moment?

Mr. TAFT. May I offer the amendment and have it stated first?

Mr. BANKHEAD. Very well.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 9, it is proposed to strike out all of line 23 after the colon, and all of lines 24 and 25, inclusive; also on page 10, lines 1 to 15 to the colon in line 19, and insert:

Provided further, That nothing herein shall apply to payments made to the shippers of commodities or others to cover the increased costs, resulting from the war emergency, in connection with the transportation of such commodities.

In order to secure the maximum necessary production of agricultural commodities in 1944, the Administrator of the War Food Administration shall, as soon as practicable after the passage of this act, list and announce such support prices as he finds necessary pursuant to the provisions of section 4 of Public Law No. 147, approved July 1, 1941, as amended. The War Food Administrator may exercise, through the Commodity Credit Corporation, the powers conferred on the Price Administrator by paragraph (e) of section 2 of the Emergency Price Control Act of 1942 to buy and sell agricultural commodities, and if he announces the price at which he will buy such commodities for any specified crop or period of time, such announcement shall be deemed to establish a support price. He may from time to time announce additional support prices, or increase existing support prices. He shall list, and announce the confirmation and approval of, support prices already in effect for 1943 or 1944 production.

Whenever any support price has been announced, the Administrator shall maintain such price or cause such price to be maintained in all producers' markets throughout the United States (unless the support price is limited to particular marketing areas, in which case he shall maintain such price in such areas) either by causing actual purchases to be made by some agency of the United States Government, or by contracts with processors or distributors under which they obligate themselves to pay the support price, or otherwise. All departments and agencies of the Government shall cooperate to secure that result. No maximum price heretofore or hereafter established for any commodity shall be below the support price therefor so announced, or below the prices specified in section 3 of Public Law No. 729, approved October 2, 1942. In any case in which a support price for an agricultural commodity is announced and maintained, and a fixed maximum price is prescribed for the sale by processors and distributors of any article processed from such agricultural commodity, the War Food Administrator may direct the Commodity Credit Corporation to pay to the processor or distributor of any such article an amount per unit of the processed article (without relation to the profits of any particular processor or distributor) for the purpose of making the margin between the producer and the consumer less than it would otherwise be, by the amount of the payments made per unit by the Commodity Credit Corporation. The Commodity Credit Corporation may accomplish the same purpose, when it purchases any agricultural commodity, by selling such commodity at a

loss to the processor to be used for the purpose of processing, without affecting the general market price at producers' markets for unprocessed commodity. No subsidy shall be paid on liquid milk unless in any particular area a support price is announced and maintained to the producers of milk within that area, in which case payments may be made to the distributors of milk within such area under the authority hereinbefore conferred, provided the margin in the price of milk between the producer and the consumer is thereafter less than it would otherwise be, by the amount per unit of the subsidy.

The total payments made to processors and distributors, plus all losses taken by the Commodity Credit Corporation under the provisions of the preceding paragraph, shall not exceed \$950,000,000.

Mr. TAFT. Mr. President, Senators will find copies of my amendment on their desks. They will note that a change has been made in line 3, on page 1, after the word "line", to strike out "15" and insert "19."

I now yield to the Senator from Alabama.

Mr. BANKHEAD. Mr. President, there are three clarifying amendments which I should like to have acted on at this time. They change no material provision in the bill. I ask that the first amendment be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, in line 1, it is proposed to strike out "October 13, 1943", and insert in lieu thereof "January 14, 1944."

Mr. BANKHEAD. The date of October 13, 1943, of course, has long since passed, and the amendment would bring the matter down to the current date.

The ACTING PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. BANKHEAD. I offer another amendment which I ask to have stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 9, in line 21, it is proposed to strike out the words "or maintain."

The ACTING PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. BANKHEAD. Mr. President, I send to the desk another amendment, which I offer and ask to have stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, line 3, it is proposed to strike out "but winding up and liquidating such programs shall proceed after the date of enactment of this act, and shall be completed within a reasonable time not later than June 30, 1944," and insert in lieu thereof the following "but such programs shall be completed not later than June 30, 1944."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Alabama.

Mr. ELLENDER. Mr. President, will the Senator explain what difference the amendment would make?

Mr. BANKHEAD. In the original bill it was required that the liquidation should begin January 1, promptly after the completion of the limitation. We propose to strike that out, and to leave

the same date for completion that was contained in the original bill, namely, June 30, 1944.

Mr. ELLENDER. As I understand the language which is sought to be stricken, the liquidation would start immediately, and would have to be completed by June 30, 1944.

Mr. BANKHEAD. Yes.

Mr. ELLENDER. As I understand the proposed amendment, the liquidation will begin just as soon as the bill is enacted.

Mr. BANKHEAD. I do not see how the Senator gets that understanding. The amendment proposes a liberalization, rather than a restriction.

Mr. ELLENDER. I was simply endeavoring to find out the difference.

Mr. BANKHEAD. The amendment refers to fixing the date for beginning liquidation. It simply provides that on June 30 it will end. That is all.

Mr. ELLENDER. And as the Senator stated yesterday, all programs which are now in force can be carried out to the same extent as they are now being carried out, until June 30, 1944.

Mr. BANKHEAD. That is correct.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Alabama on page 10, lines 3 to 6.

The amendment was agreed to.

Mr. BANKHEAD. Mr. President, the Senator from Kansas [Mr. REED] has an amendment. He is not now in the Chamber at the moment. The amendment lies on the desk. I suppose we shall have an opportunity to take it up later.

Mr. TAFT. Mr. President, I believe my amendment comes next in order.

Mr. BANKHEAD. Very well, Mr. President; I do not insist on now taking up the Reed amendment.

Mr. TAFT. Mr. President, there has been question raised, and I have finally concluded that, in my amendment, the figure in line 3 should be "15", as it originally was, instead of "19", so as to make the language read: "To the colon in line 15." I therefore wish to delete the previous modification of my amendment.

The ACTING PRESIDENT pro tempore. The Senator has a right to do so, and the modification will be deleted.

Mr. TAFT. Therefore, Mr. President, I am offering the amendment to the committee amendment exactly as it is printed and lies on the desks of Senators.

Mr. President, the demand for a billion and a half dollars of subsidies is based on the claim that by that means it will be possible to hold the line, absolutely fix prices, and fix wages. That is the only basis for the proposal. No one wants to pay subsidies. Everyone admits that, in general, subsidies are undesirable unless absolutely necessary; and the only justification for the all-out subsidy program is that by that means it will be possible to hold the line.

I suggest that the whole inflation problem is much more complicated than that, that there are many other ways by which we can hold the line or can hold down prices, and that there are many other things which should be done. This is only one feature of a very extensive program. I suggest that, as a matter

of fact, the hold-the-line theory is unsound, unwise, and impossible, and that therefore the whole basis for the general subsidy program is, it seems to me, unsound. I do not need to suggest the other things which bring about inflation.

The first remedy which is necessary is to reduce governmental expenditures as much as possible. Inflation is brought about only by the governmental deficit, and by no other cause. If it were not for the governmental deficit there would not be any difficulty. But there is a deficit. There has been some reduction of expense. The committee of which the able junior Senator from Virginia [Mr. BYRD] is chairman has brought about a reduction of governmental expenses. The War Department has to some extent been scaling down expenses in the war effort itself. But it seems to me to be obvious that expenditures can be further reduced, and that the war can be conducted, without any deterioration in the effort, in a less wasteful manner.

In the second place, we must increase taxes as much as possible. I regret that in the recent tax bill we did not increase them somewhat more; but the question whether taxes are to continue as they are today—\$42,000,000,000—or are to be \$5,000,000,000 more, after all, is not going to be the fundamental issue; because there is still a deficit of approximately \$50,000,000,000.

In the third place, there must be an effort to sell bonds to the people who have real savings, because to the extent that we can take savings which otherwise would be spent and can have them placed in Government bonds and into the hands of the Government, we help to check inflation. We must check as much as possible the sales of bonds to commercial banks, which create purchasing power out of thin air, and we must reduce the tremendous purchasing power which hammers on the walls of the price structure.

In the fourth place, we must control prices to a large extent by rationing. If we artificially cut down, by rationing, the demand for a certain commodity, certainly the demand upon that particular commodity can be removed. The rationing program is just as important a feature as is the subsidy program.

But, finally, with all of this we must have, under these conditions, price and wage control. No matter how we conduct our other policies, I do not believe we can eliminate a certain amount of inflation—that is to say, a certain increase of purchasing power—which will force prices up, particularly in view of the psychology of war, with constant rumors of shortages, even if the shortages do not actually exist.

So, Mr. President, from the beginning I proposed a price-control program and did so before the administration proposed it, and I proposed a wage-control program and did so before the administration proposed it. I think a continuation of those programs is necessary, but I do not think it is necessary to enforce them by a general subsidy program.

On the other hand, I think there are subsidies which are helpful. Subsidies

may be used in various ways. They may be used, as in the case of copper, to subsidize high-cost producers and to save money. I do not think that in the food field or in the agricultural field we can attempt to subsidize particular high-cost producers. The consequences of such a policy, I think, would be much worse than any advantages which could be derived from it.

However, in some instances, by a subsidy on one commodity we can perhaps save consumers a great deal more money than is spent for the subsidy. Take the case of the oil-seed subsidy. If by subsidizing soybeans and peanut oil we raise the prices paid to farmers for those commodities, but do not raise the prices paid for them by consumers, then we are not forced to go on and also raise the price of lard and the price of cottonseed oil and the prices of other fat products which the consumers buy. Consequently, with an expenditure of, let us say, \$20,000,000 for those two commodities, we can save consumers approximately \$80,000,000 on all oil and fat products. Therefore, I think there are subsidies which can result in some advantage.

We have heard reference to the spiral of prices and wages. Undoubtedly if wages rise somewhat, there is a pressure to raise prices; and if prices rise, there is a pressure to raise wages. But that is a very slow process. After all, wages are increased only once a year, as a rule. If by the use of subsidies we can slow up that process, if by temporary subsidies we can postpone the increase in prices, I think subsidies may very well be used.

It is only when we come to subsidies all across the board that I see no justification for such a policy, for if the Government pays \$100,000,000 in order to save the consumers \$100,000,000 I believe that is just about as inflationary as to let prices paid by consumers go up, for the reason that the Government has to borrow the \$100,000,000 and must borrow it from commercial banks, since we have largely exhausted individual savings, and thus the \$100,000,000 will be available to hammer further the line on price control. If we are going to support the subsidy program as a hold-the-line measure, then we shall have to hold the line completely. We shall have to prevent any increases in prices. If we are going to vote to do that, I believe the increase will cost in the neighborhood of \$4,000,000,000 or \$5,000,000,000 during the first year, if we are really going to hold the line, because the natural forces of increase are such that they are bound, I believe, to increase prices 5 or 6 percent in a year. Five or six percent means four or five billion dollars of subsidies which we shall have to pay if we are to try to hold the line.

I think the hold-the-line theory is wrong. It is a popular theory. It is supposedly advocated by the administration. The theory is that we absolutely freeze all prices and all wages where they are. There are two objections to that. In the first place, it freezes injustices, and the American people will not stand for injustices. It attempts to freeze sub-

standard wages. What did we do? We immediately enacted a wage law providing that substandard wages might be raised, because we recognized the justice of it.

The freezing of prices has resulted in many small businessmen being put out of business. Small packers in Cincinnati, and many others, have been forced out of business by price control. They have been forced out of business through an unjust act. The American people feel that those people should have a proper margin, and that it is only fair to give it to them. If we refuse to give it to them, we create an injustice which I think has had much to do with the break-down of morale in the home front, criticism of the Government, and resentment against the Government, because these things are unjust.

We have had brought to our attention on the floor of the Senate one thing after another which strikes the ordinary man as utterly unjust. It is the result of the absolute theory that we must hold the line regardless of what injustices occur. I say that if the hold-the-line theory is unsound because it freezes injustice, the American people will not approve the freezing of injustice.

In the second place, it is very likely to limit production, and has limited production in many fields, because obviously things change; and as we go on, producers shift their production to the thing which is most profitable. If there is an especially low price for a particular commodity, and we freeze it there, we do not get any of that commodity into production. The hold-the-line theory destroys production. The Senate considers that to be unfair. We put in a provision that the farmer should receive not less than parity, and that his prices should not be frozen below parity, because we thought it was unjust that he should receive a price lower, in comparison, than other sections of the American population were receiving.

After all, getting production is even more important than control of inflation. It is most important that we have production. When that conflicts with inflation, the inflation policy is modified. It has been modified. That breaks down the whole theory that we can freeze prices and wages at a given level and keep them there indefinitely.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Ohio yield to the Senator from Tennessee?

Mr. TAFT. I yield.

Mr. McKELLAR. As I construe the Senator's amendment, it differs only in degree from the amendment of the Senator from Connecticut [Mr. MALONEY], which was rejected yesterday. The amendment of the Senator from Connecticut provided for the continuation of the subsidy-to-consumers program, and authorized the appropriation of one and a half billion dollars.

As I understand the amendment of the Senator from Ohio, it would continue the subsidy program and authorize an appropriation of \$950,000,000. As I un-

derstand, that represents a difference only in degree. Both amendments would fix upon the country the system of subsidies to consumers at a time when consumers are in a better position to pay for what they consume than ever before in our history. Does not the Senator believe that we ought not to establish a system of subsidies to consumers as a policy at this time?

Mr. TAFT. Mr. President, there is no such thing as a subsidy to consumers. The theory that we can distinguish between producer subsidies and consumer subsidies is a complete fallacy. If we pay the producer a subsidy, why do we pay it to him? We pay it to him because he is entitled to a higher price, and we do not wish to pass the higher price on to the consumer. The only purpose of subsidies is to reduce the margin between the producer and the consumer. The question of where to fix the producer's price or the consumer's price is an entirely different question. We have given the O. P. A. authority to fix prices.

On the question of subsidies, it makes no difference to whom the subsidy is paid, the effect and purpose are the same. The purpose is to increase the farmer's price without increasing the consumer's price. In one case which was brought to our attention the purpose was to reduce the consumer's price without reducing the producer's price. That is the purpose of subsidies. We cannot draft a bill which will distinguish between them. We can distinguish so far as concerns the question of who receives the money; but the purpose of all subsidies is exactly the same, and the effect of all subsidies is exactly the same.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. There is a difference, is there not, between a support price and a consumer subsidy?

Mr. TAFT. The support price is a price promised by the Government to the producer. Every subsidy in the whole list is a consumer subsidy. Every one of them reduces the price to the consumer. That is their only purpose. However, a support price is an entirely different thing. That is a promise. If the Senator will allow me to explain, I will digress from my statement and explain this proposal.

It is more than simply an appropriation of \$950,000,000. If the Senator will read the amendment, he will find that, in the first place, it expands the ability of the Government to pay support prices. It provides in so many words that not only may support prices be announced under the Steagall Act, Public Law 147, approved July 1, 1941, but it also provides that—

The War Food Administrator may exercise, through the Commodity Credit Corporation, the powers conferred on the Price Administrator by paragraph (e) of section 2 of the Emergency Price Control Act of 1942 to buy and sell agricultural commodities, and if he announces the price at which he will buy such commodities for any specified crop or period of time, such announcement shall be deemed to establish a support price.

The Steagall Act did not authorize support prices in the case of basic commodities, corn, wheat, cotton, rice, and tobacco. This would authorize a support price in those cases, as well as in the cases covered by the Steagall Act.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. That is not the answer to my question.

Mr. TAFT. No; but I wish to explain the whole thing.

So, in the first place, this amendment authorizes support prices in every case. It authorizes subsidies only in cases in which support prices are announced and maintained. It provides that if the War Food Administrator announces the price at which he will buy the commodity, the Administrator "shall maintain such price or cause such price to be maintained in all producers' markets throughout the United States (unless the support price is limited to particular marketing areas, in which case he shall maintain such price in such areas) either by causing actual purchases to be made by some agency of the United States Government, or by contracts with processors or distributors under which they obligate themselves to pay the support price, or otherwise."

There has been much loose talk about support prices which have not been maintained, notably in the case of hogs. My amendment provides, first, that if a support price is announced, the Government shall use every means at its disposal to maintain such support price.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FERGUSON. Would the support price have to be for any length of time, or would it be in the discretion of the Administrator?

Mr. TAFT. It would be within the discretion of the Administrator. As a rule he announces a support price for one crop, and agrees to maintain it for that crop. My amendment provides that a subsidy may be paid only when a support price has been announced. If it is desired to continue the beef subsidy, about which there has been much dispute, the Government must announce a support price for beef. I do not know whether it can do so. If it cannot, it cannot pay the beef subsidy. If a support price for beef can be established, a subsidy may be paid to the processor, but the support price must be maintained.

In other words, the effect of this rollback subsidy, according to the producer, was to push down the price to the producer. The O. P. A. said, "That was not intended. We did not do it. Other things caused that." In any event, my amendment provides that the subsidy may not be continued unless a support price is maintained. The beef subsidy could not be paid unless a support price for beef was maintained.

The amendment provides further:

All departments and agencies of the Government shall cooperate to secure that result. No maximum price heretofore or hereafter established for any commodity shall be below the support price therefor so announced.

That is in the Bankhead bill, but, of course, the Bankhead bill relates support prices only to the nonbasic commodities.

My amendment provides further that—

In any case in which a support price for an agricultural commodity is announced and maintained, and a fixed maximum price is prescribed for the sale by processors and distributors of any article processed from such agricultural commodity, the War Food Administrator may direct the Commodity Credit Corporation to pay—

A subsidy. That is the plan. The subsidy can only be paid to reduce the margin between the producer and the consumer. The effort is to make sure that both the producer and the consumer shall receive the benefit of the reduction of the margin. That is the limitation, and that is the only way I can see by which to distinguish between the different kinds of subsidies. If the Government will establish a support price in advance and say to the producer, "If you produce this product you will get this price," then the Government may go further, and in passing the support price on to the consumer it may subsidize the process so that the consumer will not be subjected to the full force of the support price, which is usually an increased price in order to secure greater production. That is the general plan.

The total amount of the subsidy is limited by my amendment to \$950,000,000. That is somewhat more than I personally would propose, but the President asked for that amount in his message. He said he wanted 1 percent of the Government's expenditures, which are about \$95,000,000,000, and I therefore took that amount, because the actual amount did not seem to me to make a great deal of difference, even if it were possible to limit the type of subsidy.

I have included at the end of my amendment a special provision dealing with milk, although there is some question about whether it is necessary, because it practically repeats what is said elsewhere in the bill with respect to particular areas. The language to which I refer reads as follows:

No subsidy shall be paid on liquid milk unless in any particular area a support price is announced and maintained to the producers of milk within that area, in which case payments may be made to the distributors of milk within such area under the authority hereinbefore conferred, provided the margin in the price of milk between the producer and the consumer is thereafter less than it would otherwise be, by the amount per unit of the subsidy.

In other words, a particular milk area can be taken, and we can assure the farmer that he will receive a certain price for his milk. We can then subsidize that price so that the consumer will obtain the benefit of a slightly lower price than would result from the guaranteed price to the farmer.

Mr. President, I wish to return for a moment to the general question relating to the theory of holding the line, and the reason why the general subsidy policy cannot possibly be justified on that ground. As a matter of fact, the Government has not succeeded in holding the line. The actual figures show that, while the cost of living has gone up from 100 to 124½, say 25 percent in 3 years, and

has gone up 5 percent in the last year, the average hourly wage rate paid to labor has gone up from 67.6 cents to 98.9 cents, or an increase of 46 percent.

During the past year, while prices have been held to about 5 percent, the actual cost of labor has gone up 9 percent. The average weekly earnings of labor have gone up from \$26.90 to \$44.90 in 3 years, or an increase of 67 percent. In the past year they have gone up 12 percent.

The inflationary factor, as I see it, is the average hourly wage cost. It may be due to overtime or it may be due to various other things, but the average cost to the employer of 1 hour of labor is the factor which goes into his costs, and that is the factor which is bound to increase the prices ultimately, if the increase actually occurs.

So, in spite of everything which has been done, it has not been possible to hold the line, and it never will be possible because the control of wages is an infinitely difficult problem. They cannot be controlled by law in the way that prices are controlled. It is impossible to prevent thousands of men from striking if they feel so strongly on the subject that they insist upon striking. We cannot put all of them in jail. We can provide remedies, and I think we ought to provide every remedy possible, but in the last analysis we must recognize that there is a certain pressure, and there is always the element of fairness to be taken into consideration.

Why were the wages of coal miners and railroad workers increased? Because the people thought it was fair to increase their wages, and because the workers, to a large extent, had popular support, for the people have never approved the Little Steel formula which says that, although the cost of living has gone up 25 percent, the workers may have their wages increased only 15 percent. The result is that it has not been possible to maintain the hold-the-line theory, and it never will be possible because the American people put justice and fair treatment of individuals ahead of the arbitrary or the intellectual idea of holding the line on inflation.

The attempt has resulted to a large extent not only in injuring the national morale, but it has put many small businessmen out of business. It has threatened a serious reduction in farm production with regard to many products.

I think the policy should be to hold down prices and wages just as much as we possibly can consistent with justice to the wage earner, consistent with justice to the producer, consistent with justice to the distributor, and that is a hard job. The O. P. A. has my sympathy in its effort to accomplish these objectives. But the more they try to insist on the hold-the-line theory, the more difficulties they will encounter. Particularly would that be true if by subsidies they should increase the purchasing power and increase the natural force which is tending to drive prices upward.

I do not see any need of a full subsidy program, but I do believe that subsidies can be used to slow up the process. I think that the use of subsidies is justified if they are limited strictly to cases

where there cannot be a roll-back on to the producer under the formula I have suggested, so that they can be used only in a limited amount, and so that when the subsidies are chosen the money will be spread in the most useful manner.

Let us consider what happened when the miners were given wage increases. The operators merely increased the price of coal. The Government gave up the idea of "holding the line" on the price of coal. I do not know why. However, a subsidy for coal is just as logical as a subsidy for food products. Inevitably here and there it is necessary to yield to some degree. I think that the increase in the cost of living can be held to 5 or 6 percent a year. If we have subsidies to slow it up more, so that there will be no cumulative effect of increasing prices and wages, we will very successfully control prices, and in the end they will not be higher than they are going to be anyway. In other words, I suggest a defense in depth, which is the modern method of defending, instead of the Maginot line which, when it is cracked, will crack for good and bring complete destruction of the whole economic structure of the country.

Every Senator is familiar with the practical situation. The administration is insisting, apparently, on \$1,500,000,000 or nothing. It is insisting on the whole amount. It is insisting that it must "hold the line." I assert that if the Government is to maintain its position, instead of \$1,500,000,000 the amount will be \$4,000,000,000. I think it ought to be willing to accept \$950,000,000 and try to do the best it can with that amount. I think that is a reasonable thing to ask it to do.

On the other hand, those who are insisting on putting through an anti-subsidy bill are going to bring about a veto by the President. We know that because he vetoed the last one. The bill will come back to Congress and the veto will be sustained, for there are not sufficient votes to pass it over a veto. Then what will happen? The lid will be off again.

Payments for subsidies have increased. When we first considered this program almost a year ago subsidies were approximately three or four hundred million dollars; then they got up to \$500,000,000; when Congress came back in the fall the amount was approximately \$850,000,000; before Christmas it was \$1,100,000,000; today it is one billion two hundred or three hundred million dollars, and those who are in charge of the program are asking for a billion and a half dollars. If this bill is vetoed and comes back to Congress and dies, the amount paid for subsidies will be two or three or four billion dollars.

Congress enacted a measure containing some loose language. I do not think it justified subsidies but we were not careful enough about our language, and the claimed powers are in the law, and, unless we can pass a bill over the President's veto or unless the President agrees to the bill, those powers are going to stay there, and are going to be exercised, and I do not know how we can prevent their

being exercised. The result of passing this bill is simply going to bring about a situation in which Congress has relaxed its control, and cannot recover its control, and perhaps there may be three or four billion dollars a year spent without the slightest vestige of authority from the present Congress.

Mr. MURDOCK. Mr. President—
The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. TAFT. I yield.
Mr. MURDOCK. Has the Senator any proof from any of the agencies or departments which are interested in the administration of subsidies that if his amendment would be agreed to the bill would not be vetoed?

Mr. TAFT. No, I have no such understanding and no such agreement. I think that if my amendment should be agreed to, that is if those who oppose subsidies should wholeheartedly agree to it, it might be passed over the President's veto. That is my impression of the line-up in the Senate today. I doubt very much if the President would veto a subsidy bill that carries \$950,000,000. I think he would put himself in an indefensible position if he should veto it, because the difference is very slight.

The chief subsidy which I think would have to be abandoned would be the milk subsidy, which is being paid individually to 3,000,000 farmers. I do not believe that that is a sound subsidy. It certainly is opposed by the representatives of the milk farmers themselves. It amounts to about \$300,000,000. If that were omitted and paid in the way I suggest, I believe it could be done for \$100,000,000, and there could be saved about \$200,000,000. With the exceptions which have been made in the case of oils, my impression is that the remainder of the subsidy program could be carried out if the administration wished to continue the meat subsidy. I see no reasonable ground on which to veto this bill if my amendment should be adopted.

I might say on the milk subsidy that Mr. Holman, who is head of the dairy farmers, in his testimony before the committee, said:

The feed subsidy is estimated to be \$315,000,000 a year, and I wish to give that one particular attention. This subsidy varies all the way from 30 cents per hundred pounds of fluid milk in the Middle West to as high as 50 cents per hundred pounds in southern New England and in parts of some States such as Tennessee, Kansas, Arkansas, Oklahoma, Texas, and Mississippi, and it includes also a butterfat subsidy ranging from 4 to 6 cents per pound. That is on separated cream.

Now, there are about 3,000,000 farmers in this country, out of the estimated 6,000,000 who produce milk, that actually sell milk or separate cream or farm butter for commercial purposes. Every one of these farmers has to be found and enrolled, and to do that requires a very large army of either full-time or part-time employees. It is my understanding that the Government is using about 125,000 of these people already, farmers alone, who are being called from their farms at a time when the production is needed, to ride the roads and find these other farmers and help make settlements, and so on.

Letters have been sent out all over the country urging farmers to take advan-

tage of the subsidy. I have one which is found in the record, which says:

If farmers will bring their records to the Davis County—

That is Davis County, Iowa—

If the farmers will bring their records to the Davis County Agricultural Adjustment Administration office, their claims will be satisfied and sight drafts drawn on the Commodity Corporation for payment.

In other words, they are restoring the old A. A. A. payments and the amounts are being paid through the A. A. A. to 3,000,000 individual farmers.

Mr. FERGUSON and Mr. AIKEN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield, and, if so, to whom?

Mr. TAFT. I yield first to the Senator from Michigan.

Mr. FERGUSON. I should like to ask the Senator from Ohio a question. Does the amendment proposed by the Senator provide that subsidies may be paid only on the particular things mentioned in the amendment, or will we face the same proposition we are facing today? In other words, will the Administration, if the Senator's proposal becomes the law, pay subsidies so far as the particular commodities mentioned are concerned to the extent of \$950,000,000, and then go ahead and pay the other kind of subsidies from money they may be able to maintain from other sources to any extent they may see fit?

Mr. TAFT. No; that would not be possible, because I do not change the provisions of the Bankhead bill, on page 9, which read as follows:

SEC. 3. No funds appropriated to, borrowed by, or in the custody or control of any governmental agency (including any Government-owned or Government-controlled corporation) shall be directly or indirectly used by or made available to the Commodity Credit Corporation or any other governmental agency (including any Government-owned or Government-controlled corporation) to make any subsidy or other payment, or to pay or absorb losses, on any agricultural commodity or any commodity processed or manufactured in whole or substantial part therefrom, including milk and livestock and the products thereof, either to reduce or maintain, or in lieu of increasing, maximum prices established on such commodities—

And so forth.

Mr. FERGUSON. In other words, if the amendment were adopted and became the law, Congress would take back unto itself the right to say how much shall be spent for subsidies and the manner in which it shall be spent.

Mr. TAFT. Entirely. My proposal is that we do that, and recover all of our power over the public purse, which we have abandoned, or, perhaps I should say, not abandoned but which we have been careless about. My amendment would provide for the year 1944 \$950,000,000. That amount, however, would not be provided year after year, but for the year 1945 the Administration would have to come back and ask for what they need for the 1945 program. The amendment simply provides that for the 1944 program we will grant \$950,000,000 for use in the payment of subsidies.

I might say that there is another reason why I think it is wise to give some subsidies. I think we could have gotten along without a subsidy program; but if we should abolish them all at once there would ensue a sudden increase in prices which might well stimulate wage increases. The price increases coming all at one time would be particularly noticeable and would be much more likely to start a spiral than if they had occurred gradually during the year. That is another reason why I think that the program should be tapered off, and not completely abandoned.

Mr. AIKEN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Vermont?

Mr. TAFT. I yield.

Mr. AIKEN. A few moments ago the Senator from Ohio referred to the fact that 3,000,000 dairy farmers were eligible for the subsidy under the present program. It is my understanding that only 71 percent of those who have been eligible to receive the milk subsidy have collected such subsidy as has been available to them since the 1st of October. That number represents 80 percent of the milk production which is eligible to receive subsidies. It shows conclusively that it is the small producers, who undoubtedly need it much more than some of the larger ones, who have been deprived of their milk subsidy for one reason or another. In a good many cases it is probably because greater effort and expense were entailed in getting the subsidy than the payment would amount to when it was received.

However, at the present time we are subsidizing milk in the sum of over \$300,000,000 a year, and all dairy products to the extent of about \$441,000,000 a year. The War Food Administrator evidently recognizes that the subsidy which is being paid at the present time is wholly inadequate.

I have in my hand a release issued on February 2, last week, containing an announcement of the War Food Administration, which reads as follows:

The War Food Administration today announced the continuation of dairy production payments up to February 17, or the date on which the Commodity Credit Corporation is further extended. The basic rates during such period will be the same as those in effect for January.

While dairy farmers have been affected by increased costs since the program was first announced, Marvin Jones, the War Food Administrator, pointed out that a commitment had been made with the Congress not to change substantially the subsidy program now in effect prior to February 17.

Subject to action by the Congress continuing the Commodity Credit Corporation without limitations preventing dairy production payments, Mr. Jones stated that thereafter rates for the remainder of February and for March and April would be adjusted to take into account increases in feed and other costs since the original rates were established last October.

The War Food Administrator said he is desirous of recognizing these increased costs in the dairy payments as soon as it is possible to do so, and further expressed the hope that in the interim dairy farmers would continue to produce and market the milk that is so essential for the war effort.

For the spring and summer months, it was indicated that it would be the Administrator's intention to continue the general dairy payments at seasonally lower rates during the time when pastures are more productive. The rates would be seasonally higher next fall and winter. The whole program is contingent, the Administrator emphasized, upon congressional action continuing the Commodity Credit Corporation without limitations preventing such payments. Subject to such contingency, the rates for next summer will be determined and announced before the 1st of May; and for next winter, before the 1st of September.

So, when we are estimating the costs of the dairy subsidy we must not consider it \$441,000,000 a year, which is the present rate, but it is my personal opinion that it would have to be about twice that if we are to take care of the milk production by the subsidy method.

Mr. TAFT. I thank the Senator. My understanding is that the farmer says, "We want a fair price for milk. We do not want to have to go to the A. A. A. office and get a subsidy. We want the price to which we are entitled paid when we go to the store." That can be done under the amendment I suggest. In the Cincinnati area, for instance, where I live, it can be announced that the price of milk shall be so much a hundred pounds, and the Government will see that it is that. The distributors will pay it, of course, and if we do not want to pass it on to the consumer, we can subsidize it in that area. That is the proposal I make.

I think the farmers are interested in getting their price, but when they say that price must be passed on to the consumer, I think they are going a little further than they are quite entitled to go.

I do not think that is so much their concern. I do not know whether under the proposal I make the beef subsidy can be continued. It cannot be continued without changing the whole set-up.

My own belief as to meat is that the best way to control is to take all the price controls off beef, and impose a very strict rationing on the consumer. I believe that if we do that we can hold the price of beef, and that we will not have the difficulty we have today, trying to fix prices on all the different grades and cuts, and paying the packers tremendous subsidies on beef. I believe that is the best solution of the beef problem, but I do not see how the Congress can decide what shall be done about beef, what shall be done about oil seeds, or what shall be done about wool. We would have to treat peanut oil one way, soybean oil another way, wool another way, sugar another way. I do not see how Congress can believe it can know the way in which these different products should be handled. Yet today we say to the administration, "You can pay subsidies in any way you desire, on vegetable oils, on wool, on sugar, but you cannot pay subsidies on meat."

I think we must have an underlying, logical system, but I think we must leave the actual administration of the system to the War Food Administrator and the O. P. A.

Mr. MURDOCK. Mr. President, I should like to ask the Senator what the

position of the sugar industry will be in case the Senator's proposal becomes law.

Mr. TAFT. I have in the amendment the same provisions as to sugar that are found in the Bankhead bill. There is no difference.

Of course, the original sugar payment was always acceptable. That is regarded as rather a redistribution of the sugar itself than anything else, and it has been paid for years. The other payment, to guarantee the price of beets, so to speak, really establishes a support price for beets, and I think that subsidy could be paid under the general language of my amendment. But I left in the exception that was in the Bankhead bill, to make it perfectly certain that the exception would be in the law, and that there could not be any dispute about the language.

Mr. President, I do not know that we can get away from the irreconcilable difference which arises, but I do not see any reason why the administration should not be glad to settle this matter. I think the idea that they would rather go ahead under unlawful authority, that they would rather go ahead in defiance of the will of Congress, is an utterly unreasonable position to take. It seems to me the Senators who voted for the Maloney amendment should very much prefer voting for my amendment, and put through a measure which, I can assure them, will be practical, which will limit subsidies to an effective and reasonable form of subsidy, which will furnish an amount which can be used to provide for subsidies in reasonable form. On the other hand, I think those who vote to put the bill through knowing that it will be vetoed, simply because they are against subsidies, knowing that it will actually increase the amount of the subsidies rather than decrease them, are also taking an unreasonable position.

I submit to the Senate that if my remedy is not the correct one, then it should be criticized and worked out to a satisfactory form, but it has been evolved after a long series of conferences, even with the Solicitor of the War Food Administration, and with those on both sides of the question, and I feel very confident that it presents a correct solution.

Mr. O'DANIEL. Mr. President, during these times when subsidies are being so widely discussed it is interesting to turn back the pages of history and read what was said in 1893 by that immortal Governor of Texas, James Stephen Hogg.

Governor Hogg is recognized to this day as being one of the most ardent and outstanding defenders of the rights of the rank and file of the common citizens ever to hold public office in Texas.

His public statement of May 20, 1893, against Federal bounties, which we now call Federal subsidies, is certainly sound logic, in addition to being correct prophecy.

With all the mess we are now in on the domestic front in this Nation on account of subsidies, and the Federal Government trying to dictate how each and every individual must run his own private business, we are certainly getting a generous taste of what Governor Hogg in 1893 called "the polluted fruits of

crime against justice and the Constitution." I believe this statement by Gov. James Stephen Hogg, of Texas, made a half century ago, is one of the strongest and most logical arguments against subsidies that could be made. Coming from that sane age in our American history, it deserves the careful reading and study of some of the would-be statesmen of our present fantastic Government age.

I ask unanimous consent that the full statement of Gov. James Stephen Hogg, of Texas, issued on the subject of bounties on May 20, 1893, be published in the CONGRESSIONAL RECORD at this point.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATE OF TEXAS,
EXECUTIVE OFFICE,
Austin, Tex., May 20, 1893.

To the Public:

By the authority vested in the Governor by the constitution, I hereby give notice and make public proclamation that I disapprove house bill No. 206, passed by the last legislature, which proposed "to authorize, empower, and direct the superintendent of the State penitentiaries to receive from the Treasurer of the United States, for the general revenue of the State, the bounty on sugar raised and manufactured on the State penitentiary convict farms," received in the executive office on the 9th day of this month.

I vetoed such a law as this 2 years ago, and shall never consent to one like it so long as I represent public interests and can read the Constitution of the United States and understand the principles upon which this Government was founded.

It is well for the public to look at this sugar bounty in the light of the Federal law granting it.

In schedule E of the act of Congress approved October 1, 1890, the United States Government directs that until July 1905 there shall be paid from any moneys in the Treasury at Washington not otherwise appropriated, to the producer of sugar, testing not less than 90° by the polariscope, from beets, sorghum, or sugarcane grown within the United States, a bounty of 2 cents per pound, under such rules and regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury shall prescribe.

To entitle the producer of sugar to this bounty he must file, prior to the 1st day of July each year, with the Commissioner of Internal Revenue, a notice of the place of production, with a general description of the machinery and methods to be employed by him, an estimate of the amount of sugar proposed to be produced in the current or next ensuing year, and make an application for license to so produce, accompanied by a bond in a penalty and with sureties, to be approved by the Commissioner of Internal Revenue, conditioned that he will faithfully observe all rules and regulations that shall be prescribed for such manufacture and production.

On receiving the application and bond, the Commissioner of Internal Revenue is required by this law to "issue to the applicant a license to produce sugar" at the place, with the machinery, and by the methods described in the application. No one can get the bounty without having first procured the "license" from the United States to produce the sugar, and the law expressly confers the power on the Commissioner of Internal Revenue, with approval of the Secretary of the Treasury, to "make all needful rules and regulations for the manufacture of sugar," and to "exercise supervision and

inspection thereof." All persons raising less than 500 pounds of the article a year are excluded from the benefits of the bounty. Those who engage in the manufacture of it under this license from the United States are subject to prosecution in the Federal courts and to a fine of not over \$500, together with imprisonment for a period of not exceeding 5 years, for certain infractions of the law.

The State of Texas has a plantation of 2,000 acres, worked last year by 165 second-class convicts, by which was produced about 1,000,000 pounds of sugar. The yield this year will be probably at least that amount, with the prospect of a heavy annual increase. So that, under this law of the United States, she would be permitted to receive a bounty of at least \$20,000 each year hereafter until 1905 if I permit the act of the legislature under consideration to become a law.

In the first place, I believe that Congress was guilty of a usurpation of power in passing the bounty act, and that to accept money from such source the State government would be an accessory to the crime.

In the second place, I believe the State would debase her dignity, prostitute her honor, and appear before civilization as a humiliated suckling holding onto the breast of the Federal Government if she accepts the bounty.

Such laws are fundamentally wrong, subversive of the powers of Government, undemocratic, paternalistic in the extreme, and no State can be a party to, connive at or ratify them without a surrender of its self-respect.

If the fathers were correct in teaching that the Federal Government is one of strictly limited powers—that its powers are enumerated, specified, and particularized, and that whatever is not delegated to it by the Constitution, nor prohibited by that instrument to the States, is withheld and reserved to them, then I am unable to trace the fight to grant this special benefit to the favored few in the way of the sugar bounty to any source of power except that which lies in the arbitrary will of Congress. It is a forced and unfair construction of the Constitution to hold that Congress possesses the power under the "general welfare" clause to collect money from the masses with which to defray the expenses of and to pay a premium to those engaged in private pursuits. The express purpose of the people in framing and of the States in adopting the Constitution was to form a more perfect union, to establish justice, to insure domestic tranquillity, to provide for the common defense, to promote the general welfare, and to secure the blessings of liberty to "ourselves and our posterity." The powers of the Congress were limited to the accomplishment of these ends. How can an appropriation out of the General Treasury to be paid to sugar raisers aid in forming a more perfect union? How can it establish justice? How will it insure domestic tranquillity? How can it provide for the common defense? How does it promote the general welfare? How can it secure the blessings of liberty "to ourselves and our posterity"? If it fails to accomplish some of these purposes, then the Congress had not the power to make the appropriation. All observant men see and understand that the excuse for all such usurpation of power by the Congress, exercised invariably at the expense of the great mass of the people for the enrichment of the few who fill the lobbies around the Capitol, finds a cloak under the clause of the Constitution which authorizes that body to "provide for the general welfare of the United States." I cannot understand how it is to the general welfare of the several States, or of the United States, or of the people of the United States, for Texas to be given a bounty by the Federal Government for raising sugar. This product, it is true,

is of common use among the people, and its cheapness to them is desirable. So it may be said of cotton, wheat, oats, corn, rice, hay, beef, pork, poultry, potatoes, goobers, melons, pine-rosin, and all other articles of real or apparent necessity among the masses. The State can, with her 3,600 convicts, raise all these products in great abundance at a fine profit, if the general Government grants, and she shall accept, a bounty on them. There is as much authority for Congress to give a bounty on chickens as on sugar. If the purpose is to promote the general welfare, it would appear that articles of necessity, such as bread, meat, and clothing, would be the first on which a bounty should be given. This would reach and help the wheat and corn raiser, the herdsman and the cotton planter, and give cheap food and raiment to the millions. Indeed, it would put millions in the pockets of the great army of producers now struggling under heavy burdens, and add the finishing touch to the ideal government of those who regard the "bounty system" as the catholicon of all economic ills; and, further, it would furnish to civilization an example of the generosity of Congress, displayed in the exercise of its discretionary power, in providing for the general welfare of the United States.

The authority of Texas to take this money from the Federal Government demonstrates the evil of the paternal system into which our General Government is drifting. It strongly supports the suspicion that none but those who are able to help themselves need apply. Texas needs no assistance in farming. Sugar raisers as a rule are the wealthiest planters. There are no poor ones engaged in the business in this State. Most of them are very rich, in every respect beyond the necessity of Government aid. The State's farm of 2,000 acres, on which she makes sugar and cotton, is worth less than many of those nearby belonging to individuals, and it is valued at \$245,256. After deducting all expenses of maintenance and operation last year without any bounty the crop on this farm yielded the State, according to the report of the financial agent, a new profit of \$61,976. The report of the superintendent of penitentiaries shows that for the period of the past 6 years the crops have yielded her the aggregate net sum of \$229,968. When the low prices during this period are considered, with the further fact that the farm is worked by such convicts as are unfit for use within the walls and cannot be hired out, then some idea may be had of the profits of the sugar business operated on a large scale. If Congress was considering the "general welfare of the United States" when it rallied to the aid of the rich planters engaged in this profitable private industry in the bestowal on them of this liberal bounty, it may be pertinently asked, How far does the Government stand committed to this precedent to assist those following less remunerative pursuits when they shall call for help? To the needy alms should go. This is the rule of charity. If followed to its logical result, where will this precedent end? The Government cannot be operated without revenue. Without it all the work in her departments would cease. Government revenue is no more nor less than money collected from the people by taxation in some form or other. After all, it comes out of the production of the soil. To support this bounty all farmers must be taxed. For this and other purposes, with crushing force the Government unceasingly lays its tax-reaping hand on the fruits of labor. From this cause murmurings are heard everywhere. It now takes annually at least 30 percent of the active circulating medium of the United States to pay Federal taxes. The people are tired of this condition, and they ought to be. Departure by the Government from its

legitimate functions is the cause. Favoritism of the few at the expense of the many is the method. These bounty laws are governmental crimes, the culmination of paternalistic iniquity. Those who receive benefits are blinded to the evils lurking in them. Strong resistance will be made to the abrogation of the sugar bounty, but Texas cannot by my act or acquiescence become committed to the movement. The wrong should be wiped out and our State should take part in the work. She cannot with clean hands do so if she accepts the money. Driftwood on a great stream at first seems harmless. Let it alone, and in time the river's current becomes changed by it, submerging the country all round. So with this bounty law. Permit it to stand, and the Government will follow the course already changed from a republic to a centralism, sweeping in its way the liberties of the people. Shall Texas be accessory to this crime? No; not with my consent.

On another point I oppose the State's acceptance of the bounty. In the management of her affairs she is sovereign, supreme, subject only to the control of the people within her dominion. To accept this bounty for sugar she would surrender the supervision and inspection of one of her most important industries to the Federal Government. For spoils she would open the way for the invasion and final destruction of her independent autonomy. For a mess of pottage, seasoned with the sacrifice of principle, boiled in sin, she would surrender her birthright.

To procure this money she must file with the Federal Commissioner of Internal Revenue a notice of the place of production. To him she must give a description of the machinery and methods employed by her in the work. To him she must give an estimate of the amount of sugar she proposes to produce. To him she must make application for a license to follow the pursuit. To him she must look for rules and regulations of the business. To him she must give bond and sureties that she will obey the law. To him she must yield inspection and supervision of her farming operations. To him she must become bound by bond that she will not only obey the law but that she will faithfully observe all rules and regulations that shall be prescribed by him for the manufacture of sugar. For infraction of the law her agents and officers would be subject to prosecution, fine, and imprisonment through the Federal courts. We all know what this means. Spies, informers, and irresponsible deputy marshals would swagger and lurk around the farm worse than the locusts of Egypt. Nothing would please them better than to "rope" the State of Texas into the national court, where they could magnify the power of the Federal judge at the expense of her independence and integrity.

Other potent reasons should move the State to refuse this bounty. She is no pauper or mendicant. She is a sovereign State in the full control of her institutions, capable of repelling with indignation every subtle effort made to destroy her autonomy. When she needs money she will resort to constitutional means and call on Texans to pay it. She would not appeal to Massachusetts, Georgia, or other States to help her; nor will she accept money paid for public purposes by her sisters to the Federal Government simply because the Congress is willing, in the exercise of arbitrary power, in defiance of the Constitution, to let her have it. For the sake of the masses, now taxed beyond endurance through the vicious, insidious tariff system, for the respect due to her own people, for the preservation of her own independence, for the perpetuity of sound principles of government, the State of Texas now, and so long as I am Governor, shall treat this sugar bounty with derisive contempt. She will not handicap her Senators and Congressmen in the performance of their duties to

have the law repealed; she will not stultify her statehood; she will not violate democratic pledges to strike down such measures; she will not stain her hands nor dishonor her name by the acceptance of this money—the polluted fruits of crime against justice and the Constitution.

Very respectfully,

J. S. HOGG,
Governor of Texas.

THE SPIRIT OF GUNG HO

Mr. DOWNEY. Mr. President, as the protracted congressional controversy continues with bitterness and rancor to delay a solution of the soldier-vote bill, and as we now discuss the subsidy program after months of delay, our boys—our own sons, and those of our neighbors back home—are facing death, sudden or slow, on the stained and rocky beach-heads of Italy. Their loved ones at home wait the news with fear, and pray with agony in their hearts that their boys may somehow escape horrible massacre by powerful and entrenched artillery cruelly commanding the fish-bowl beachhead.

Surely, at this time, with American boys fighting desperately to defend democracy over wide-flung areas, the leaders of democratic government should find the energy and inspiration loyally and efficiently to serve democratic government at home.

Unlike Italy, in the Pacific the tide of victory runs strongly for our forces and there is little need to express on the Senate floor the pride and gratitude of the American people in the magnificent accomplishments of the members of the armed forces fighting today in the Marshall Islands of the central Pacific. No one can now doubt that the American triumph which started here will sweep ultimately across the Pacific to Truk and finally to Tokyo itself. Nonetheless, I cannot refrain from adding to the proud collective voice of America that of the Senate of the United States. Here, Senators, is tangible proof of the ability of America to fight an all-out war. Here is demonstrated her great ability in mass production and technology, translated from peacetime activities into the desperate need of the war effort; here is but another proof of that axiom well known to us all—"The whole is greater than the part." Our boys are, of course, fighting individually for their homes and for their States, but, Senators, on the field of battle there is time only for unity of action toward a common goal. It is the inherent realization of soldiers that unless they stand united, death or surrender will be their fate. We of the Senate might well heed their example and work likewise in harmony with each other lest the pattern of our work be lost by too great an emphasis on the individual parts, by furious and futile controversies discouraging and confusing the Nation.

The story of the assault on Makin Island, in the Gilberts, south of the Marshalls, in August 1942, the prologue of the present fighting in the Marshalls, is one of the finest illustrations of harmonious action—action which indicated that America had finally taken the offensive and had set the stage for later victories to come.

The leader of the group which accomplished this raid, Lt. Col. Evans F. Carlson, had before him a momentous task. His goal, as stated by him, was—

To create and perfect a cohesive, smooth-functioning team which, by virtue of its harmony of action, unity of purpose, and its invincible determination, would be able to outpoint the enemy on every count.

Most important of all, he found, was the development of the so-called gung ho spirit, the Chinese expression of harmoniously working together, and which is exemplified in the truly great and inspiring film of the same name, *Gung Ho*, recently released, produced by Walter Wanger, president of the Academy of Motion Picture Arts and Sciences, himself a soldier in the First World War. Recently I had the opportunity to view this film and to me it brought a profound realization of the dangers and sacrifices of our fighting men and a renewed determination that we in the United States should subjugate our own passions, prejudices, wants, and needs to a greater and more unified national effort to support the members of the armed forces upon whom principally fall the sacrifice and the burden of the war. Any American seeing this film *Gung Ho* would resolve thereafter I am sure for more harmonious work in the common and sacred war effort.

On this first anniversary of the Makin raid, Colonel Carlson in an address to the Allied Nations armed forces serving overseas concluded his remarks:

As a military venture this raid was not of any great import; its significance lay in the fact that America had taken the offensive; that American men had outwitted, outfought, and outmaneuvered the Japanese at their own game. It was significant also because these marine raiders had demonstrated how individual intelligence and initiative and resourcefulness can be applied with benefit to military operations, when they are developed and brought to bear in the democratic way.

There is no limit to the potential power and accomplishment of freemen who unite for common effect in the democratic manner. No dictatorship, no oligarchy can stand against freedom, tolerance, and truth. These are the principles for which the Allied Nations fight.

And, finally, may I quote to the Senate the concluding speech of the film *Gung Ho*, as made by the leader of the Makin raid:

Our course is clear. . . . It is for us at this moment to dedicate again our hearts, our minds, and bodies to the great task that lies ahead. We must go further and dedicate ourselves also to the monumental task of assuring that the peace which follows this holocaust will be a just and equitable and conclusive peace. And beyond that lies the mission of making certain that the social order which we bequeath to our sons and daughters is truly based on the freedom for which these men died.

EXTENSION OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (H. R. 3477) to continue the Commodity Credit Corporation as an agency of the United States, to revise the basis of annual appraisal of its assets, and for other purposes.

Mr. SHIPSTEAD obtained the floor.

Mr. LANGER. Mr. President, will the Senator yield to me so I may suggest the absence of a quorum?

Mr. SHIPSTEAD. I yield for that purpose.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Green	Reed
Andrews	Guffey	Revercomb
Austin	Gurney	Reynolds
Bailey	Hatch	Robertson
Ball	Hawkes	Russell
Bankhead	Hayden	Shipstead
Barkley	Hill	Smith
Bilbo	Holman	Stewart
Bone	Johnson, Colo.	Taft
Brooks	Kilgore	Thomas, Idaho
Buck	La Follette	Thomas, Okla.
Burton	Langer	Thomas, Utah
Bushfield	Lucas	Truman
Byrd	McClellan	Tunnell
Capper	McFarland	Tydings
Caraway	McKellar	Vandenberg
Chandler	Maloney	Wagner
Chavez	Maybank	Wallgren
Clark, Idaho	Mead	Walsh, Mass.
Clark, Mo.	Millikin	Walsh, N. J.
Connally	Moore	Wheeler
Danaher	Murdock	Wherry
Davis	Murray	White
Downey	Nye	Wiley
Eastland	O'Daniel	Willis
Ellender	Overton	Wilson
Ferguson	Pepper	
George	Radcliffe	

The PRESIDING OFFICER. Eighty-two Senators having answered to their names, a quorum is present.

Mr. SHIPSTEAD. Mr. President, because of the eloquence of the Senator from Alabama [Mr. BANKHEAD], the Senator from Georgia [Mr. GEORGE], and other Senators who yesterday discussed inflation, I shall not speak about the inflationary problem involved in subsidies. I have before to some extent discussed that phase of the matter.

However, I wish to point out that according to a recent report of the Secretary of the Treasury, nearly \$20,000,000,000 of currency is loose around the country. That is nearly four times more currency in circulation than has been in circulation in normal times. On some other occasion I hope to address the Senate on the significance of that situation and its threat to our national economy, but I shall not go into that matter further today.

I have some statistics and figures by way of comparison which I think may be enlightening, if not amazing, as to the cost of subsidies, their effect, who receives their benefits, and by way of comparison between the present price level and the price level existing in 1917 and 1918, because those 2 years have been held out as the top years in which there was a high cost of living, and as the fundamental excuse for paying subsidies now.

The United States Bureau of Labor Statistics, in its Bulletin No. 300, entitled "United States Average Retail Prices," published in 1922, has given the average retail bread prices in 51 leading cities for the years 1917 and 1918, namely, during the 2 years of the First World War, as follows: 9.2 cents for a 16-ounce loaf in 1917, and 9.8 cents in 1918. They were a

fraction lower than 1943 prices on all grades of bread. A slightly higher retail price, around 10 cents a loaf, came in 1919 and 1920, after the war was over. But the war price averaged 9.6 cents for a 16-ounce loaf.

What does the O. P. A. threaten to do to the price of bread today if Congress declines to vote for subsidies? The half page of grocery price boosts published in the New York Times of November 17, less than 90 days ago, gives the O. P. A. "roll-back" price at 17 cents for a 17½-ounce loaf of bread, or an equivalent of nearly 16 cents for a 16-ounce loaf which in 1918 sold for 9.8 cents.

In other words, the O. P. A. threatens to boost the retail price of a loaf of bread 6.2 cents, or more than the 60 percent, unless we grant a subsidy of \$1,500,000,000, notwithstanding the fact that the farm price of wheat is lower now by 75 cents a bushel than 25 years ago.

The subsidy agencies of the Federal Government base their demand for \$1,500,000,000 subsidy to processors to "keep down the price of bread," as they call it, on the ground of the high price of wheat paid to the farmer. When they talk about "the price of bread," I assume they include all the articles necessary for food.

What are the facts?

First, what is the share of the retail grocery price which the wheat grower receives for raising the crop?

On page 20 of the 1944 Agricultural Outlook Charts, just issued by the Department of Agriculture, we read that the wheat grower in August 1943 got the following percentages of the retail price:

Item	Retail price	Farmer's share
White bread.....	100	24
Whole-wheat bread.....	100	19
Soda crackers.....	100	12
Wheat cereal.....	100	19
Macaroni.....	100	22
Average.....	100	19.2

The miller for his flour received 48 percent of the retail price of the finished product—the bakery, cereal manufacturer, wholesaler, and Government taxes getting the remaining 32.8 percent.

That is to say, the Government subsidy cry is based on the assumption that the 19.2 cents which the farmer gets from the retail dollar is so excessive that the Government has to give a \$100,000,000 subsidy to the processors in order to keep down the price of bread.

The subsidy agencies of the Government make no complaint against those who collect, in all, 80-odd cents of the retail dollar. The whole complaint is against the farmers' share of 19.2 cents. This less than one-fifth going to the farmer for raising the wheat bears the whole brunt of the subsidy agency indictment. In the eyes of subsidy propagandists, this one-fifth that goes back to the farmer is greater than the four-fifths reaped by the processors and the Government. The subsidy argument reverses Euclid, who began his great mathematical thesis on the proposition

that "the whole is greater than any of its parts." It happens that American history, no farther back than the last World War, stands by Euclid, as against the New Deal argument for subsidy.

The average farm price of wheat in the last World War—1917-1918—ranged 75 cents a bushel higher than the price which Government subsidy propagandists complain against now. The farmers in the last World War were getting more than the present 19 cents of the retail dollar of the bread and cereal consumer. Yet the price of bread was stabilized at around 9.5 cents for a 16-ounce loaf—without one dollar of the \$100,000,000 subsidy which the Government asks for now.

For the wheat in a pound loaf—.95 pound wheat—the farmer today gets 2 cents, as compared to a fraction over 3 cents in 1917-1918. Yet the subsidy agencies of the Federal Government say that this 2 cents received by the farmer can no longer be paid unless either the price of bread goes up or the Government pays a \$100,000,000 subsidy to the processors and the wheat buyers. This is the story in a nutshell, in comparing the retail price of bread in 1943 with the price in 1917 and 1918.

It will be seen that in the last war, when the United States Government paid no subsidy and had no autocratic O. P. A. bureau, there was no trouble about maintaining a stabilized 9½-cent loaf, although the wheat growers received on the farm at that time an average of \$2.05 a bushel.

There are subsidies being paid now to packers, processors, distributors, and retailers. Who are they? The indictment is brought against the farmer for the high cost of living. Companies capitalized in the aggregate for hundreds of millions of dollars and enjoying war contracts of hundreds of millions of dollars, are receiving subsidies. In the October bulletin of the Department of Agriculture, on the Agricultural Situation, page 7, it is shown that the average farm price of wheat has risen from \$1.028 in September 1942, to \$1.30 in September 1943. It is a little higher now. This is based upon the report of September and October 1943. The parity price for September wheat was \$1.46.

In a list of 21 leading farm products, in 1943 wheat and butterfat were below parity. In the meantime the prices of the things which the farmer had to buy had risen 66 percent. The price of farm machinery had risen to the point where a second-hand tractor cost more than it formerly cost new, while wages have about doubled, and in some cases trebled. The farmer receives less profit from his \$1.30 in September 1943, or about \$1.40 now, than he realized from a price of \$1.28 in 1941. On the other hand, finished products put on the retail market by the processors, such as soda crackers and macaroni, have advanced in price not 27 percent, as in the case of wheat, but from 75 to 100 percent. It will be seen that the subsidies do not go to farmers, when prices are below parity, on most products, or were until recently.

Prices of most staples are below parity. But the farmer is indicted. Processing companies which have war contracts and receive war prices for their products receive the Government subsidy. That is a new deal. It follows the Biblical saying, "To him who hath shall be given."

One of the most significant features of the wholesale-retail problem in connection with present food prices is the high margin between the wholesale price of food and the retail price. It was more than twice as high in 1943, under the O. P. A., than it was in 1917, 1918, and 1919, when there was no O. P. A. to "crack down" on grocers and consumers.

The following figures are taken from a recent bulletin of the Department of Agriculture entitled "Marketing and Transportation," comparing retail, wholesale, and farm prices in the United States from 1913 to 1943. In 1917 and 1918 the margin between wholesale and retail prices averaged only 10 percent, as is shown on page 28 of the bulletin. The figures are as follows:

Year	Retail price index	Wholesale prices	Margin
1917 average.....	112	103	9
1918 average.....	128	117	11
2-year average....	120	110	10

In the 4 months of 1943 ending August, the retail-wholesale margin was:

Months, 1943	Retail prices	Wholesale prices	Margin
May.....	143	109	34
June.....	142	108	34
July.....	136	106	30
August.....	133	104	29
4-month average..	138	107	31

The margin increased more than three times.

I point this out to show that those who are handling farm products are the ones who are to blame. I have a statement of beef prices for 1917. I ask unanimous consent to have it printed in the Record for comparison with meat prices at the present time at grocery stores.

There being no objection, the table was ordered to be printed in the Record, as follows:

	Figures for 1917-18 are from Bureau of Labor Statistics		O. P. A. ceiling Washington, Feb. 10, 1944 ¹		
	1917	1918	AA	A	B
Round steak.....	29	36	47	44	39
Rib roast.....	25	31	35 ²	33 ²	31 ²
Pork chops.....	32	39	39 ³	36 ³	35 ³
Bacon, per pound, sliced.....	41	53			42 ⁴
Sirloin steak.....	31	34	46	44	36
Leg of lamb.....	29	35	44	42	38
Chuck roast.....	21	27	32	30	28

¹ This is 1944 ceiling price.

² 10-inch.

³ 7-inch.

⁴ Rib.

⁵ End.

⁶ Swift Premium.

In 1917-18 beef cattle sold from \$15 to \$17 a hundred pounds—hogs about the same. Hogs yield the farmer now \$8 to \$13 on the farm. Look up your hog prices now.

Mr. SHIPSTEAD. With respect to the high cost of O. P. A. and subsidies, let me say that some time ago a message from the White House told us that one and a half billion dollars must be paid from the Treasury in subsidies.

We find the price of sirloin steak, if sirloin could be obtained at all last year, running to a 1943 average of approximately 50 cents a pound. When we turn to the food prices listed by the United States Bureau of Labor Statistics for the year 1918, the last year of World War No. 1, we find that the average price of sirloin steak in American cities in the year 1918 was 38.9 cents a pound. In other words, we were getting our sirloin steak in 1943, under the O. P. A. and subsidies, at an average price 30 percent higher than in 1918 without O. P. A., and without subsidies.

For round steak, in 1943, under O. P. A. and subsidies, the coal miners of Pennsylvania were paying an average price of 45 cents, compared with 36.9 cents in 1918, without O. P. A. and without subsidies, or 22 percent higher than during the last World War.

In 1943 rib roast, under O. P. A. and subsidies, cost from 36 cents to 45 cents a pound, compared with an average price of less than 31 cents for all cities in the United States in 1918, without O. P. A. and roll-back subsidies. In this instance we were paying an average of 20 percent higher than prices of beef during the last war.

In 1918 cheese brought an average United States price of 35.9 cents a pound, according to the Bureau of Labor Statistics. In 1943, in Washington, under O. P. A. and subsidies, the price of cheese hovered around 50 cents a pound most of the time. Sometimes it was less and sometimes it was higher, but always well above the prices of 1918, when there was no O. P. A. and no roll-back subsidy.

Bananas for civilian consumption have been rare in the United States ever since the O. P. A. machine began to work. In 1918 the average price of bananas in American cities was 38.3 cents a dozen, or a trifle more than 3 cents apiece, less than one-half the O. P. A. ceiling for the few people in the United States who have the rare privilege of seeing a banana at this time.

It appears from cost-of-living statistics and from retail grocery advertisements during the period of the two wars that on the average food prices in American cities under the O. P. A. in 1943 are approximately 20 percent above retail prices in 1918.

On a yearly food consumption of \$15,000,000,000 for the country at large in 1943, the civilian cost of bureaucratic regulation approximates \$3,000,000,000 a year. Part of this \$3,000,000,000 cost-of-living charge is chargeable to O. P. A., part to lease-lend, part to priorities, public debt, and mounting taxes.

Significant of the food price upward trend is table I of the Commerce Department survey of current business for No-

vember 1943. On page 7 of this report the Secretary of Commerce presents the annual volume of retail sales for various kinds of businesses by years, taking the first 9 months of 1943 as a basis for the estimate. The increase in the price of food sold in retail stores for 1943 over previous years is highly significant. The total for 1929 was \$13,092,000,000; for 1940 it was \$14,780,000,000; for 1941, \$17,372,000,000; and for 1943, the total was \$25,000,000,000.

So we find that, based on Commerce Department estimates, the retail cost of food to American consumers in 1943 compared with 1941, when O. P. A. was launched, has risen \$4,424,000,000, or 35 percent.

If we add the sales of eating and drinking places to the sales of the retail groceries and chain stores, the increase for 1943 over 1941 in 2 years of O. P. A. is \$7,428,000,000, or 42 percent.

Compared with 1929, with its 9-month prosperity boom, the country's retail food bill in 1943 has risen more than \$6,000,000,000, or nearly 55 percent.

So much for the widely advertised "economy achievement" of the O. P. A. in its effect on the long-forgotten consumer.

WORLD'S BIGGEST AND MOST COSTLY BUREAU

In the recent tabulation of executive bureaus and departments, laid before the Senate by the Senator from Tennessee [Mr. McKellar] in behalf of the Senate Appropriations Committee and the Senator from Virginia [Mr. Byrd], the Office of Price Administration is given an official personnel of 119,000, including more than 55,000 employees on the civil-service list, and 64,000 on war price and ration boards. This exceeds the total official personnel of any other Federal bureau and even the total for any executive department, except War, Navy, and Post Office.

The 119,000 employees of the O. P. A. exceed by 35,000 the total number of employees of the United States Treasury and its several revenue bureaus. They exceed by 42,000 the total for all branches of the Agriculture Department. The number represents more than three times the total for the Commerce Department and its seven branches. It is more than 12 times the total for the State Department or the Labor Department.

The War Department's peacetime personnel in 1937 was listed at 89,000. The O. P. A.'s 119,000 employees exceeds that figure by 30,000, and the salaried cost of the O. P. A. far exceeds the total cost of the Government of Mexico.

Actual and complete Federal Government costs of the O. P. A. set-up are not easy to arrive at. Appropriations by Congress are followed by deficiency appropriations in rapid sequence, and these again by Executive allocations. The O. P. A. espionage machinery, regulating and prohibiting domestic and interstate sales and distribution of food, requires a totalitarian army 10 to 100 times as large as the Federal machinery employed in prohibition days to check consumption of alcoholic liquors.

The Federal set-up in Washington is supplemented by 9 regional administrations. Attorneys and investigators under Federal direction, whether central or regional, regulate or prohibit food sales on a ration basis in all of the 3,030 counties of the 48 States. Even a farmer, theoretically, is not permitted to eat the chickens, pigs, butter, and eggs he raises, and his wife is not allowed to brown and grind green coffee without authority from Washington, D. C., and its totalitarian democracy.

Under the Federal espionage of food sales and so-called black marketing this so-called centralized planned democracy has a county attorney and a local F. B. I. in every county in the United States—not only to regulate retail and wholesale sales and prices but to regulate the food consumption, the shoes worn, and the gasoline, coal, ice, and clothing of 132,000,000 people. In Germany this might be called local government by the Gestapo, but here it is the New Deal—a new order of things in America.

Mr. President, I do not want Senators to think that I overlook the fact that there are persons—for example, old-age pensioners—who are in trouble and ought to receive aid in some form. However, to grant a subsidy to reduce the price of food to the millions of people, rich and poor alike, a great majority of whom are making more money than they ever made before in their lives, and meet the cost of it by borrowing money to be paid at some time in the future when our national income may not be so great as it is now, and when the chances will be against our having as much money with which to pay for food and pay taxes, is something which I do not think should be done.

If there are articles which we must have, and there is a desire to increase production, instead of paying a subsidy to increase production, all we have to do is to raise and fix the price. I have no objection to ceilings being placed on the prices of agricultural or other products, in order to stop the run-away of prices. People in various communities who are in need should be taken care of so that they will not suffer. It should be done, in my opinion, through the local agencies of the States and counties, who know the individual persons and are familiar with their needs. Certainly no one within reason can object to taking care of such persons.

What does it cost the Treasury and the taxpayer? What is the annual sum total cost of the O. P. A. set-up? A key to an approximate estimate is afforded in the testimony of the second O. P. A. Administrator, Prentiss Brown.

On page 144 of the 810-page volume of hearings before the House Appropriations Committee, he asked for \$177,335,000 to meet the salaries and expenses of 68,882 officials and clerical aides of the O. P. A. This would imply a per capita cost of O. P. A. personnel averaging something over \$2,500 apiece a year. Applying this unit personnel cost to the entire O. P. A. set-up of 119,000, both civil service and ration boards, calls for a total expenditure of \$297,500,000 for the taxpayer to meet.

It carries out and puts into concrete shape two theories of government:

First, the Harry Hopkins theory: "Spend and tax, spend and tax."

Mr. MOORE. And elect and elect.

Mr. SHIPSTEAD. Yes; and elect and elect.

Second, the Thomas Jefferson indictment of George III:

He has erected a multitude of new offices, and sent hither swarms of officers to harass our people and eat out their substance.

It will be noted that the Thomas Jefferson idea was ratified by the signers of the Declaration of Independence, which for 150 years has been accepted as the foundation of the Constitution—indeed, 165 years before the Atlantic Charter.

It did include the "four freedoms," but it was created about 165 years before the Atlantic Charter was signed.

COST OF O. P. A. SET-UP VERSUS COST OF UNITED STATES GOVERNMENT UNDER THE FIRST 22 PRESIDENTS

If the cost of the O. P. A. set-up were only \$177,000,000, as asked for by Administrator Prentiss Brown to support 68,882 bureaucrats, the O. P. A. would cost more than double the entire cost of United States Government in 1861 under Abraham Lincoln, which was only \$66,500,000.

If, on the other hand, the O. P. A. set-up costs the \$297,000,000 estimated for support of 119,000 in 1944, it exceeds the total United States Government expenditure per annum under President Grover Cleveland, which in 1885-88 averaged \$260,000,000 per annum.

Even on a per capita basis, based on population, the O. P. A. set-up establishes a new mark in American "spend-and-taxation."

Under the Jefferson and Jackson administrations, which once were looked upon as democratic, the Government taxes to pay ordinary disbursements from the United States Treasury were less than 1.5 per capita.

The \$297,000,000 estimated to cover the salaries and expenses of the O. P. A.'s army of 119,000 employees amounts to a tax of \$2.22 per head on a population of 132,000,000 men, women, and children. Is this not too much to pay for the privilege of getting food prices in 1943 at 20 percent higher than in the last World War, in 1918?

The high cost of bureaucracy finds its best example in the high cost of the O. P. A. and subsidy. Yet the O. P. A. is only one among the one-hundred-odd alphabetic bureaus of the New Deal. One bureau is costing more than the entire United States Government under the Cleveland administration, and Grover Cleveland was once looked upon as a Democrat and twice elected as a Democrat. One bureau under the New Deal is costing more than twice the total cost of the United States Government under Lincoln in 1861.

The spend-and-tax theory of government may be good for the 3,000,000 bureaucrats who spend the taxes, and a good foundation for a totalitarian set-up, but does it conduce to democracy in America?

When the Commerce Department, inadvertently, "lets the cat out of the bag," and reveals that instead of a food price roll-back in the Nation's food bill there has been a roll-up-hill from \$12,500,000,000 in 1941 to \$17,000,000,000 in 1943—a 2-year roll-up of 35 percent—it knocks the last prop from under the world's biggest bureaucracy and this country's biggest bottleneck.

The first step toward post-war recovery and post-war democracy is to put an end to the totalitarian trend by abolishing the O. P. A. set-up and subsidy. Removal of this bureaucratic octopus from the back of American people will be a godsend to producer and consumer, the taxpayer, and free democracy. It may well be worth more for national defense than another victory in Italy or Africa, and it certainly is worth more for the general welfare of the United States.

Mr. President, I have brought these statistics and comparisons to the attention of the Senate to show the difference in the handling of the food situation in this war and the last war. I do not see any excuse for what has been done in handling this aspect of the domestic economy during the present war. As a matter of fact, the farmer does not get the subsidy. It goes to the processors, the middlemen, the retailers, and to the consumer. The spread in price between the wholesaler and the retailer, who handle the products of the farmer, has doubled if not trebled since the last war. It is they who get the subsidy.

Throughout the farming sections of the country we hear reference made to subsidies paid to the farmer in the triple A soil-conservation payments. But that is not a subsidy. The soil-conservation payments were provided in order to preserve for future generations the soil of the Nation which was being depleted; those payments were made to preserve future assets for the welfare of this country on the assumption that it was not fair for the farmer, because of low prices, to make a living by mining the soil and leave the soil when he was through with it in a depleted condition, and greatly inferior as a national asset.

I shall vote against the amendment proposed by the Senator from Ohio, with all due respect to him and with all due respect to anyone who does not agree with my point of view. I think subsidies are inflationary. They are putting off the payment of the food bill until after the war is over, and the national income will not be so great as it is now.

We talk a great deal about appreciating the boys who are fighting all over the world and who are scattered in at least 50 various parts of the globe. The trouble is that while we have a war, many of us are afraid that it will cost us something. We talk about the sacrifice of the men who are fighting in the Army and Navy, but there is a feeling that we do not have to sacrifice anything. We want food and we want to obtain it as cheaply as we did in peacetime. We do not want to pay any more taxes than usual, but we want to make some money. I am not referring to any particular class of our pop-

ulation in any sense, but that is the feeling which is prevalent throughout the country.

We know that there are \$20,000,000,000 of currency outstanding. I asked a banker in Minnesota what he thought had become of it. He said, "I do not know; perhaps that is why so many people rent safe-deposit boxes, and it may be that they keep it there." Twenty billion dollars, which is about four times more than the average amount in circulation in normal times, is floating around. How did it get there? Is it escaping taxation? Is it money that has been made on the black market? In any event, in addition to our national debt, it is dangerous because of its inflationary possibilities. Sometime in the future I expect to address the Senate on the source of this currency, whence it comes, upon what it is based, and what its potential influence on inflation is. In itself it has inherent dangers, and it is increasing in volume all the time. That, however, is another subject which I shall discuss at another time.

THE PRESIDING OFFICER. The question is on the amendment offered by the Senator from Ohio [Mr. Taft].

Mr. WILEY obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield to me for a moment?

THE PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. WILEY. I yield.

Mr. BARKLEY. I rise simply to express the fervent hope that we may vote upon the pending amendment, which is the Taft amendment, very soon, and thereafter dispose of the bill today. I frankly say that I hope we can do that and adjourn over till Monday. I think that is the general feeling in the Senate, and I hope we may accomplish that purpose. I do not, of course, want to shut off the Senator from Wisconsin.

Mr. TYDINGS. Mr. President, will the Senator from Wisconsin yield to me?

Mr. WILEY. I yield.

Mr. TYDINGS. I should like to ask the majority leader if there would be any chance, with the approval of the minority leader, of fixing an hour today when we might vote on the bill, so that we could take the action the Senator from Kentucky suggests?

Mr. BARKLEY. I would be agreeable to that, but I do not know. I think that if we can dispose of the Taft amendment, which is the only hump right now, we can very speedily dispose of other questions having to do with the bill.

Mr. AIKEN. Mr. President, if the Senator will permit me there is another amendment which I propose to call up in behalf of the Senator from Wisconsin [Mr. La Follette] and myself. It is an amendment which embodies the subject of the food stamp bill.

Mr. BARKLEY. I did not know that. I have been told that the Senator was not going to offer that amendment.

Mr. AIKEN. There are a good many Members who desire to have it presented to the Senate.

Mr. BARKLEY. In spite of that, I still hope we may dispose of the bill today.

Mr. TYDINGS. I thank the Senator from Wisconsin.

Mr. WILEY. Mr. President, I feel that the subject of subsidies has been adequately discussed, and that I can make very little contribution to what has already been said. I have, however, a few thoughts on the subject which I consider may tend possibly to bring clarity into a very confused situation.

Yesterday we heard discussed the proposition that a large segment of our population were underpaid. They are generally called the white-collar class. I am satisfied that the settlement of the subsidy question would make little or no contribution to the solution of that problem.

I should like to mention another thing. I feel that in the entire discussion, especially through the columns of the newspapers and over the radio, a large percentage of the workers of America have been given the impression that putting into effect a subsidy such as that we have heard discussed on this floor would afford them great relief. The Senator from Minnesota and other Senators have demonstrated quite clearly that the relief would be infinitesimal. What I am getting at is that, while in the discussions over the radio and in the columns of the press the farmers of the country have been almost damned, they have been misjudged.

I recently received a letter which I shall read into the RECORD. It comes from a farmer of my own State, and presents an almost tragic picture of a condition which I wish all the workers of America could comprehend and understand. Certainly, if prices are high—and they are high in some places—it is not due to the price the farmer is receiving. He is not receiving adequate compensation, as everyone knows, for many of the products he raises.

Let me read this letter:

DEAR SENATOR: As far as we here on the farms are concerned, we cannot understand where these housewives who were down to Washington, hollering about the high cost of living and wanting a subsidy, could be buying, or if their living costs were high, how or where they got that way.

Now listen to this:

Here at the farm we're getting 24 to 28 cents a dozen for eggs, eggs that cost us at least 45 cents a dozen to produce. The hens will bring us only 16 cents a pound. They'll average from 3½ to 4 pounds apiece. We paid 60 cents per chick when we bought them last May.

When we were told to raise more chickens for the country—

Our ears not only turn red, they take on a purple cast, when we think of the feed the chickens ate, to say nothing about the work we put in taking care of them.

The same example can be applied to nearly everything on the farm. So if living costs are high, the high price didn't originate on the farm.

I wish that idea could be broadcast over the radio to the listening public, so there would not be the opportunity by the politicians to create class hatred next fall between city groups and farmers. The way to bring out anything clearly is to throw light on the subject. I think

it was a great leader who said, "Give the people light, and they will find the way." But if we bring confusion into the picture, the people will not find the way.

Now I wish to continue reading from the letter:

We—

Meaning the farmers—

take what we get. Not others in America; they get what they ask for. Why, then, is not the farmer entitled to a price instead of a subsidy? And could it be that the high cost of wages has produced the high cost of living?

Just to give you an idea of the duties of a farm wife—

Mr. President, a woman is the writer of this letter. Many times on the floor of the Senate I have referred to the fact that in my State, and in the other States of the Middle West, women, many of whom are past middle age, are performing a great patriotic duty working on the farms. If anyone thinks there is any doubt about that, let him listen to the words this woman has written me on the subject, showing "Her Day" at work. Listen to this:

Just to give you an idea of the duties of a farm wife, due to the scarcity of labor and the price of it, if it were to be had, I'll give you a sketch of My Day.

Where did we hear that phrase before—"My Day"? I quote further:

Up at 5 o'clock. That's 4 by the sun. Milk five cows, get breakfast, do dishes and housework. Then to the woods to cut down 10 trees, pulling one end of a cross-cut saw. Home to get dinner and do dishes. To the barn to clean it and haul manure from 21 head of stock. Bed and feed them—

Meaning the stock—

and get them back in. Tend chickens and pigs. I won't elaborate. Back to the house to get supper and do dishes. Milk five cows, do my ironing. Take time to listen to the radio. Hear more about strikes, high cost of living, and wonder how this administration made such a mess of things. Retire at 10:30 real mad. Dumb, aren't I?

Sincerely,

Mrs. ALTIE VICK.

P. S.—Got no time and a half overtime, either. Lucky if I got time.

Mr. President, I shall read another letter, which throws some light on the situation. It is an appeal from an American 69 years of age, and if it does not strike a responsive chord in the heart of any man who listens to it, then I say he must be asleep.

Addressing me personally, the writer says:

DEAR ALEX: I am in a peculiar situation and need advice. You are in a position to know to whom I should write, and feel sure you will tell me.

On January—

I leave the date blank—

the foundrymen went on a strike here because they did not get an 8-cent an hour raise over the \$1.20 an hour which is the union scale.

Listen to this:

The machinists, of which I am a member, went out in sympathy, although they had promised not to go on strike until we win the war.

Of course I was thinking about my grandson, Bill. I pondered it over and over.

Something kept coming up in my mind, "Granddaddy, don't strike against me. Granddaddy, don't strike." Well, I refused. I was the only man in the shop for 3 days. Some of the men did not want to go out, but they just didn't have the guts."

Now that they are back some of them refuse to work with me.

The Government needs workers.

We must have men. When I went to work for the company in 1941 I told them I was able and willing to work up to 12 hours a day, 7 days a week, until we win. I have worked 7 days a week since. "I'm only 69." Would be glad to refer anyone to the manager.

I have bought with my earnings 16 \$100 bonds. I put my granddaughter through Iowa University. She graduated last January.

I have been a union man over 50 years.

I can't bring myself to strike against my own grandson who is in the service. I can't strike when we are at war. What am I to do. Write me please.

The writer of this letter, Mr. President, who is 69 years of age, who for 50 years was a union man, and whose grandson is in the service finds himself in a position of loyalty perhaps to some union leader, but also of loyalty to the Nation, and he will not strike, but when the men come back from striking they will not work with him. Contrast that with the woman whose letter I just read, who works from 4 in the morning until 8 or 9 at night, and turns on the radio and hears about these strikes.

Alec, what can I do?

Mr. President, how could I answer him? In one paragraph of my letter I wrote:

I have checked with various Government officials here who say they have no jurisdiction. It was, however, suggested that you go to your nearest conciliation service office and present the matter to them.

I told him I admired his attitude. I told him that back in 1939, on the floor of the Senate, I said we needed a definite labor policy. Every day I receive letters from laboring men in Wisconsin who are friends of mine who confirm that they want such a policy. A definite labor policy is needed now more than ever before.

But when it comes to the question of high prices of food attempt is made to induce people to believe that the farmer should be damned, when he works practically around the clock.

Mr. President, the two letters I have read present a situation in America of which we certainly must take cognizance. They are interrelated. The trouble with much of our legislation is that we bring up an idea and we try to handle that idea as if it were the only idea, whereas it is part of a series of ideas. So, Mr. President, I feel that if we are going to handle the subsidy idea properly, it must be done in such a way that that segment of our people that needs help will receive help, and that we should not particularly see to it that folks who do not need aid are assisted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. WHERRY. Mr. President, I regret that the senior Senator from Ohio is not in the Senate Chamber at the moment. I should like to ask him a question. He made the statement that there was no difference between producer subsidies and support subsidies or consumer subsidies. I think there is all the difference in the world between a support price to guarantee to the farmer his price for production and a consumer subsidy paid to the consumer for help to buy agricultural products.

The Senator from Ohio said on the floor of the Senate that those who supported the measure of the Senator from Alabama were in a rather embarrassing position because if we supported this proposed measure we would support the general principles of subsidies, while cutting off the consumer subsidy which is prohibited by the bill. We do find ourselves in that position.

I am against a subsidy in lieu of a fair price. It is that type of subsidy that is outlawed in this bill. Last June we attempted to settle the subsidy question once and for all. Since that time a program has been announced whereby the producers of sugar beets and the producers of wool, and the producers of incentive crops will be paid a support price. If we were to vote against the bill because it provides for continuation of support prices, we would absolutely fail to keep faith with the farmer.

Mr. President, I do believe there is a great deal of difference between a support price subsidy and a consumer subsidy. If I understand it correctly, a support price is paid to the farmer to increase agricultural production, and when that production amounts to a surplus, then the Government steps in and pays the loss in order to pay the farmer the guaranteed price and thereby keep faith with the farmer in the promise made by the Government. Support price subsidy goes to the increase of agricultural production, and the whole theory of support prices has been to increase the production of agricultural products. But if I understand the Senator's amendment, on page 3, beginning where provision is made that the Commodity Credit Corporation shall have the right to buy in the open market, it can buy anything it wants to on which there is a support price, whether it is a surplus product or not, then after it is processed, either by contract or otherwise, the Corporation turns around and sells it to the consumer at a loss, the loss being the difference between the purchase price and the sale price, so to avoid an increased cost to the consumer. I think that is an entirely different thing from a support price, to increase agricultural production.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. TAFT. Let us consider the sugar subsidy. What is it? A price for sugar beets was guaranteed, and the processor is paid the difference, in order not to pass the cost of sugar beets on to the consumer. That is exactly the same kind of subsidy as any other. In the matter of increasing production it is not a ques-

tion of whether a support price is paid; it is a question of the kind of support price that is paid. The higher the support price the greater the increase in production. As long as there is a support price, production is increased. My idea is to pay a subsidy only when it can be based on a support price. First, encourage production, and then determine in the best interest of the country as a whole what shall be done. If it is not desired to pass the increased cost on to the consumer, pay a subsidy.

Mr. WHERRY. My contention, Mr. President, is that instead of having the public pay the increased cost of production, the Government pays the loss as a consumer subsidy to reduce the cost of living.

Mr. TAFT. The farmer is paid, but if there is no subsidy the difference is passed on to the consumer. A support price, of course, is not the same as a subsidy. Senators talk about a support-price subsidy. There is no such thing except in what I have in my amendment. All subsidies have the effect of cutting down the margin between the producer and the consumer. One cannot be classified as a consumer subsidy and another as a producer subsidy. There is no such difference.

Mr. WHERRY. Mr. President, my understanding of the amendment, and especially now since the Senator has made his explanation, is that the consumer does not pay the increased cost of processing of agricultural products, but the Government does pay the loss. We are speaking of support prices. We are speaking of the Commodity Credit Corporation buying and selling at a loss. I think the Commodity Credit Corporation should do only one thing, and that is to pay the loss to a farmer if a crop is overproduced and a surplus arises, because the farmer has been guaranteed the support price. I think that is the only proper interpretation of support price.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. TAFT. The kind of subsidy the Senator is condemning is exactly the kind of subsidy we authorize when we put sugar in as an exception. The Government guarantees a certain price for beets, and that price could be allowed to go right on to the consumer in an increased price of sugar if it were desired to do so. Instead of that the Senator has approved and voted for a subsidy, and as a citizen of Nebraska, with his sugar-beet factories he is excepting sugar and saying, "With respect to sugar we will not pass that cost on to the consumer. We will pay the difference to the processor so that we do not have to pass it on to the consumer." He cannot distinguish between what he is doing with sugar and what any one of the other subsidies authorized by my amendment would do.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. AIKEN. I was about to say that I think the Senator from Ohio is somewhat wrong in calling the sugar subsidy

a farmer's subsidy. It seems to me it is a subsidy to insure national defense, to keep this country from becoming entirely dependent on overseas sources of sugar; because we know that sugar is absolutely essential in wartime.

I do not believe the subsidy is paid wholly for the benefit of the beet growers of the United States. They necessarily have to receive a higher price for their products because of the seasonal nature of the production.

Mr. WHERRY. Mr. President, I am always appreciative of the advice and leadership and counsel of the senior Senator from Ohio [Mr. TAFT], and I wish to thank him for his remarks and comments about my knowledge of the program relative to sugar beets and meat. However, I wish to tell him that I think he has in his amendment exactly what I said; and, to use plain English, I think it is nothing more than a consumers' subsidy. I think it is the first time we have ever been asked legally to authorize a consumers' subsidy in this country. If we do, and if we put up \$950,000,000 now for it, they will be back here within 6 months asking for another \$950,000,000 to pay the grocery bills of the people. The Senate is now being asked to do it, under the theory that it is a support-price proposition. The only losses we should pay are those necessary to make good on the price guaranties the Government has made to farmers, rather than to pass on the benefit to the consumers, as a consumers' subsidy. The consumers are the ones who are and will be benefited, rather than the farmers.

In the amendment of the Senator from Ohio we have a consumers' subsidy. We do not have it in the bill as reported by the Senator from Alabama [Mr. BANKHEAD]. While it is true—and I made the remarks before the Senator came into the Chamber—that I am called upon to support the sugar price support program, because I want to keep faith with the program that has been announced, I am against the consumers' subsidy.

The amendment of the Senator from Ohio provides for a consumers' subsidy, but such a subsidy is not provided for in the committee bill. That is why I shall support the committee bill and shall oppose the amendment of the Senator from Ohio.

Mr. TAFT. Mr. President, I am not opposing a farmers' subsidy, but the committee bill does propose a consumers' subsidy. The purpose of paying it is to prevent passing on to consumers an increased price of sugar. The Senator from Nebraska has said there must be a support price for sugar beets. That is correct. The reason why a sugar subsidy is particularly defensible is that we do not want to increase the price of all imported sugar. So by subsidizing the sugar grown in this country we save the consumers about three times as much as we pay out. That is the justification for the sugar subsidy; and there is a similar justification for the oil subsidies.

But this would authorize a complete sugar subsidy. If the Government wanted to do so under the provisions of

the pending bill it could use \$100,000,000 or more to reduce the present price of sugar to consumers throughout the United States. That is what is authorized here. The Government could apply that to all foreign sugar if it chose to do so. I do not say the Government would do so, but the authority to do so is contained in the bill as reported.

Without my amendment, the bill is that broad, and it authorizes consumers' subsidies. It authorizes consumers' subsidies without limit as to those particular commodities; whereas in my amendment I have provided a very definite limit, and require that before that is done a support price to the farmers be put on, so as to protect the farmers. Under the bill as reported by the Senator from Alabama, it is not necessary to put on a support price for sugar or for wool or for vegetable oils. It is possible to subsidize the consumers, if that is desired.

Mr. WHERRY. That is what the Senator is doing by his amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. TAFT].

Mr. JOHNSON of Colorado. Mr. President, let me inquire whether I correctly understood the Senator from Ohio to change his amendment again, so as to read "in line 15", as it did in the first place?

Mr. TAFT. Yes; I left in the same language that is contained in the bill as reported by the Senator from Alabama. I think there is sufficient authorization without it, but I left that language in.

Mr. JOHNSON of Colorado. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio to the committee amendment.

Mr. McKELLAR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Green	Radcliffe
Andrews	Guffey	Reed
Austin	Gurney	Revercomb
Bailey	Hatch	Reynolds
Ball	Hawkes	Robertson
Bankhead	Hayden	Russell
Barkley	Hill	Shipstead
Bilbo	Ho'man	Smith
Bone	Johnson, Colo.	Stewart
Brooks	Kilgore	Taft
Buck	La Follette	Thomas, Idaho
Burton	Langer	Thomas, Okla.
Bushfield	Lucas	Thomas, Utah
Byrd	McClellan	Truman
Capper	McFarland	Tunnell
Caraway	McKellar	Tydings
Chandler	Maloney	Vandenberg
Chavez	Maybank	Wagner
Clark, Idaho	Mead	Wallgren
Clark, Mo.	Millikin	Walsh, Mass.
Connally	Moore	Walsh, N. J.
Danaher	Murdock	Wheeler
Downey	Murray	Wherry
Eastland	Nye	White
Ellender	O'Daniel	Wiley
Ferguson	Overton	Willis
George	Pepper	Wilson

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. TAFT. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. REYNOLDS (when his name was called). I have a general pair with the senior Senator from Nevada [Mr. McCARRAN]. I do not know how he would vote. If I were at liberty to vote, I should vote "nay."

Mr. WHITE (when Mr. TOBEY's name was called). I again announce the absence of the Senator from New Hampshire [Mr. TOBEY] because of the serious illness of a member of his family.

Mr. WILLIS (when his name was called). On this question I have a pair with my colleague the junior Senator from Indiana [Mr. JACKSON]. I am informed that if he were present he would vote "nay." As I intend to vote the same way, I am at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from Iowa [Mr. GILLETTE], the Senators from Nevada [Mr. McCARRAN and Mr. SCRUGHAM], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business. I am advised that if present and voting, the Senator from Wyoming [Mr. O'MAHONEY] would vote "yea."

The Senator from Indiana [Mr. JACKSON] is detained on public business.

The Senator from Rhode Island [Mr. GERRY] is necessarily absent.

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I am advised that if present and voting, he would vote, as I intend to vote. Therefore, I am at liberty to vote, and I vote "nay."

Mr. WHITE. The Senator from Oregon [Mr. McNARY] is absent because of illness.

I am advised that the Senator from New Hampshire [Mr. TOBEY], the Senator from California [Mr. JOHNSON], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Nebraska [Mr. BUTLER] would vote "nay" if present.

The Senator from Maine [Mr. BREWSTER] is necessarily absent.

The Senator from Wyoming [Mr. ROBERTSON] has a pair with the Senator from Wyoming [Mr. O'MAHONEY].

The result was announced—yeas 16, nays 64, as follows:

YEAS—16		
Ball	Hatch	Vandenberg
Burton	Johnson, Colo.	Walsh, Mass.
Danaher	Murray	White
Davis	Pepper	Wiley
Downey	Radcliffe	
Ferguson	Taft	

NAYS—64		
Alken	Bone	Chandler
Andrews	Brooks	Chavez
Austin	Buck	Clark, Idaho
Bailey	Bushfield	Clark, Mo.
Bankhead	Eyrd	Connally
Barkley	Capper	Eastland
Bilbo	Caraway	Ellender

George	Maloney	Thomas, Idaho
Green	Maybank	Thomas, Okla.
Guffey	Mead	Thomas, Utah
Gurney	Millikin	Truman
Hawkes	Moore	Tunnell
Hayden	Murdock	Tydings
Hill	Nye	Wagner
Holman	O'Daniel	Wallgren
Kilgore	Overton	Walsh, N. J.
La Follette	Reed	Wheeler
Langer	Revercomb	Wherry
Lucas	Russell	Willis
McClellan	Shipstead	Wilson
McFarland	Smith	
McKellar	Stewart	

NOT VOTING—15

Brewster	Glass	O'Mahoney
Bridges	Jackson	Reynolds
Butler	Johnson, Calif.	Robertson
Gerry	McCarran	Scruggam
Gillette	McNary	Tobey

So Mr. TAFT's amendment was rejected.

Mr. McCLELLAN obtained the floor.

Mr. REED and Mr. BARKLEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arkansas yield, and if so, to whom?

Mr. McCLELLAN. I yield to the Senator from Kansas.

Mr. REED. Mr. President, I wonder if the Senator will yield to me so that I may offer a perfecting amendment, which I am sure will take very little time.

Mr. McCLELLAN. I do not wish to yield for the purpose of the Senator offering an amendment. I wish to offer an amendment myself.

Mr. REED. Mr. President, I understand the Senator from Arkansas will offer an amendment which will involve considerable discussion and debate. I wish to offer an amendment which will take only a moment of the time of the Senate.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. McCLELLAN. I yield to the Senator from Kentucky.

The PRESIDING OFFICER. The Chair wishes to remind the Senator from Arkansas that he cannot retain the floor while business is being transacted.

Mr. McCLELLAN. For what purpose does the Senator from Kentucky ask me to yield?

Mr. BARKLEY. I wish to feel out the situation to see if we could not enter into a unanimous agreement to limit debate on the bill and any further amendments thereto, so that we might bring it to a conclusion.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. McCLELLAN. Would yielding to the Senator from Kentucky result in my losing the floor?

Mr. BARKLEY. It would not unless some Senator should make a point of order, and I certainly will not make it myself.

Mr. McCLELLAN. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I had hoped that we might enter into an agreement for a limitation of debate now, with the idea that we might dispose of the bill today. The present occupant of the

chair [Mr. LA FOLLETTE] shakes his head, indicating that he would not agree at this time to a limitation of debate.

The PRESIDING OFFICER. The Chair states that in his capacity as Senator he would have to object.

Mr. BARKLEY. Then I have no purpose in further delaying the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, there is on the desk an amendment which has been offered by the junior Senator from Mississippi [Mr. EASTLAND] and myself. I should like to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 10, after line 23, it is proposed to insert the following new section:

SEC. —. (a) Within a period of 120 days from the effective date of this act, and within each 6-month period thereafter, maximum prices heretofore or hereafter established on milk and the products thereof (pursuant to the Emergency Price Control Act of 1942, as amended by Public Law 729, approved October 2, 1942), shall be adjusted on a regional or market basis as the case may require to the extent necessary to (1) reflect changes in farm labor costs (including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm computed for all such labor on the basis of wage rates for hired farm labor), feed prices (including all feed fed whether purchased or home grown), and other costs since January 1, 1941; (2) place the production of milk and the products thereof on a competitive basis with alternative opportunities which are available to producers of milk; (3) correct inequities as between markets; and (4) maintain or increase the production of milk and the products thereof for war and civilian purposes: *Provided*, That in determining the extent to which maximum prices shall be adjusted as provided herein, due consideration shall be given to historical and normal differentials customarily applied as between markets and regions: *Provided further*, That in no event shall maximum prices on milk and the products thereof be established below support prices therefor or below the prices specified in section 3 of Public Law Numbered 729, approved October 2, 1942: *Provided further*, That where minimum prices to producers of milk have been regulated under any agreements or orders pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended, the War Food Administrator is hereby directed, within the periods prescribed in this section (relating to the adjustment of maximum prices), to adjust such minimum prices to reflect adjustments in maximum prices determined and ordered pursuant to the provisions of this section. Except as expressly provided herein, nothing contained herein is intended, nor shall be construed to repeal, amend, or supersede the provisions of the Agricultural Marketing Agreement Act of 1937, as amended.

(b) In order to effectuate the purposes of paragraph (a) of this section, the War Food Administrator and the Price Administrator are hereby directed to hold public hearings on a regional or market basis as the case requires. For such purposes there shall be utilized the hearing procedure and the personnel of the Food Distribution Administration of the United States Department of Agriculture established under the provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and such other personnel of the Department of Agriculture and the Office of Price Administration as may

be required. As soon as practicable after the completion of the hearing, but in any event within the periods specified in paragraph (a), the War Food Administrator and the Price Administrator shall make public their joint findings based only on relevant substantial evidence of record at the hearing and the Price Administrator forthwith shall issue an order adjusting such maximum price or prices on the basis of and in conformance with such findings.

(c) Any person (within the meaning of section 302 (h) of the Emergency Price Control Act of 1942, as amended) who is adversely affected by the order of the Price Administrator may, within 30 days after the action adjusting such maximum price or prices, file a complaint with the Emergency Court of Appeals specifying his objections and praying that the order be enjoined or set aside in whole or in part.

The War Food Administrator shall be made a party to the proceedings and upon service of the summons and complaint, the Price Administrator shall certify and file in the court the transcript of the proceedings and the record upon which the order adjusting such maximum price or prices was based. The proceedings in such court shall be subject to all applicable provisions of section 204 of the Emergency Price Control Act of 1942, as amended; except, that wherever the term "Administrator" is used therein, it shall, for the purposes hereof, be construed to mean the War Food Administrator and the Price Administrator: *Provided*, That during the pendency of such proceedings the Price Administrator may not modify or rescind his order adjusting such maximum price or prices except upon the basis of additional joint findings on evidence adduced pursuant to the order of the court. The provisions of this section shall terminate coterminous with the expiration of the Emergency Price Control Act of 1942, as amended.

Mr. McCLELLAN. Mr. President, this amendment is taken from Senate bill 1418, which was introduced by the junior Senator from Mississippi [Mr. EASTLAND] and myself several months ago. After the bill was introduced the Committee on Agriculture and Forestry held hearings on it, reported it favorably to the Senate, and it is now on the calendar.

Section 1 of the bill as originally introduced, which provided for an immediate adjustment of milk prices on the basis of 46 cents per hundredweight throughout the Nation, has been eliminated from the amendment now offered.

If the pending bill, which refuses to permit or give sanction to the continuation of the subsidy policy and program, should be enacted, then this amendment would rightfully belong to and would implement the legislation. It would set up the machinery immediately whereby the War Food Administration and the Administrator of the Office of Price Administration are directed within 120 days from the date of the enactment of this law to adjust on a regional or market basis, as the case may require, the prices of milk to the extent necessary to effectuate the following:

(1) Reflect changes in farm-labor costs (including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm computed for all such labor on the basis of wage rates for hired farm labor), feed prices (including all feed fed whether purchased or home-grown), and other costs since January 1,

1941; (2) place the production of milk and the products thereof on a competitive basis with alternative opportunities which are available to producers of milk; (3) correct inequities as between markets; and (4) maintain or increase the production of milk and the products thereof for war and civilian purposes.

The amendment would further require, Mr. President, that each 6 months thereafter the same process be followed, if necessary, in making an adjustment of milk prices so as to reflect these four goals. After the adjudication is made and the price is fixed, if any affected party is aggrieved or dissatisfied, the amendment then provides for a right of appeal to the Emergency Court of Appeals, and pending that time the order, whatever it may be, cannot be changed.

The whole purpose of this amendment is to try to set up machinery so as to make it certain that dairy products shall be given the consideration to which they are entitled and that the producers of dairy products shall have fixed for their products by the Office of Price Administration and by the War Food Administrator a price which will reflect the increased cost of production, taking into account the factors I have already enumerated, covering changes which may have occurred since January 1941.

Mr. President, I think this amendment is important. The truth is that the dairy industry and the milk producers, possibly, have suffered more than any other agricultural interest with respect to the O. P. A. regulations and restrictions and price controls which have been invoked. The industry has been affected to such an extent that today, notwithstanding the increased demand for milk and for dairy products, national production has fallen off; as compared to the average production of other agricultural products for the period from 1935 to 1939, the dairy production has not at all kept pace.

Unless, Mr. President, something is done and done quickly—and in my judgment it will have to be done by the Congress—the shortage of milk products and dairy products will continue to increase. I am sure every Member of the Senate has received letters and information from home, as have I, to the effect that dairy herds are being put on the market, that the cost of producing milk today is equal to or above the O. P. A. price ceiling, and that it can no longer be produced at a profit, even including the subsidy on dairy products which is now paid, amounting in round numbers to \$441,000,000.

Certainly, if the subsidy is removed, as is contemplated by the pending bill, then, Mr. President, it is absolutely imperative that immediate steps be taken either through the processes set up by this amendment or by other means to reestablish a fair price for dairy products in order that this industry may survive.

Mr. PEPPER. Mr. President, will the Senator yield?

XC—98

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Florida?

Mr. McCLELLAN. I yield.

Mr. PEPPER. I will ask the able Senator if it is not a fact in his State; as it is in the State which I have the honor in part to represent, that the current subsidy being paid is grossly inadequate to give a fair return to the dairy industry for the production of milk?

Mr. McCLELLAN. It is wholly inadequate. In my opinion, Mr. President, in order to put the dairy industry on a competitive basis with other agricultural products and also on the basis of other prices, the present subsidy would have to be doubled and possibly trebled. That would be necessary in order to put this industry on a sound economic basis under present circumstances and conditions.

This proposed legislation, if it shall be favorably acted upon by the Senate and shall become a law, will have the effect of stopping the subsidy program, and certainly if that happens, considering the depressed condition of the dairy industry at this time, it is imperative, Mr. President, that action on this order be taken, that some machinery be immediately provided and legislative direction given to the Office of Price Administration and to the War Food Administrator to take action to adjust the prices so that this industry may survive.

Mr. President, I have discussed this amendment only briefly with the very able Senator from Alabama who is in charge of the bill. I hope there will be no objection to it. I hope that the committee can accept it or that the Senator from Alabama can accept the amendment, and that it may be adopted and become a part of the law, if the pending bill is enacted.

Mr. BANKHEAD. I will say to the Senator from Arkansas that I do not understand that I have the power, either as author of the bill or as the one who was designated to report it to accept in a binding way any amendment to the bill after it is reported. I will simply say that if I had the power to accept it, I would do so very gladly. I think it is consistent with the philosophy I am supporting; it is supported by the milk producers of the country, and it seems to me to be sound in philosophy and theory. Therefore, so far as I am concerned, I not only would consent, but I really hope the amendment will be adopted.

Mr. PEPPER. Mr. President, I shall say just a word, because it is not necessary to say a great deal on the amendment.

I had hoped that we would not unloose the floodgates and bring about an increase in the cost of living in the country, because I think we would thereby cause grave injustice to the major part of our population.

It has always seemed clear to me, and I am sure it has certainly been clear to other Senators, that there is just one of three courses to be followed in respect

to the question before the Senate. Producers who are not getting a fair return will have to suffer unless we do one of two things, either give them an increase in the market prices of their products, or give them a subsidy out of the Federal Treasury. To my limited intellect there seems to be no way open except one of those two, if, by hypothesis, producers are not getting enough for what they grow.

Mr. President, that applies particularly to the dairy industry. Those engaged in that industry in my State of Florida are suffering, and I am sure my able colleague here will attest that fact. Hundreds of dairy cattle have been sold by dairymen, some of them for beef. I myself have seen fine Jersey cows, excellent milk cows, sold in the farmer's market, as many as half a dozen or a dozen, when they should have been furnishing milk for the people of my State. But the dairymen were being compelled to sell their cows because, due to the constant increase in the price of labor and in the price of feedstuffs, they could not remain in the dairy business. They have been here repeatedly attempting to obtain relief from the Government.

A few days ago a man came to Washington from Miami and brought with him his accounts with the supply house from which he bought his feedstuffs. He showed by his own books and records that he had \$4,000 in the bank the previous year, but when he came here he had not only exhausted his \$4,000 in the bank in trying to remain in the dairy business, but in addition he owed \$3,800, as I recall the amount, to the wholesale house which supplied him with feedstuffs; and he had the figures establishing that fact. It is not fair to take anyone's private property for public use without just compensation, and that is what we do if we require any person to continue to give his substance to the public good without being compensated for it. That, we must all admit, is not a desirable result.

The only point about which we disagree is as to the best way to help the producer who is not getting a fair return. About that question honest men may honestly differ. I voted in favor of the Maloney amendment. I believe in the subsidy. Other Senators feel equally strongly the other way, and I certainly respect the honesty and integrity of their opinions.

At this time the Senate has already acted in prohibition of the subsidy. So far as I am able to perceive, therefore, if the dairy people in my State and in other Senators' States are not to suffer, we have either to give them a subsidy or give them a greater return in the market place. I recall the time when 37 Senators appeared in the room of the Committee on Agriculture and Forestry in the presence of Judge VINSON and told him about the plight of their States, and I see many of those Senators sitting in the Chamber at the present time. Yesterday afternoon, however, the Senate denied those engaged in the dairy industry the subsidy, and, therefore, if they are not to suffer I know of no redress

possible for them save to allow them an increase in the market place, and for that reason I shall support the amendment offered by the distinguished Senators from Arkansas and Mississippi.

Mr. TAFT. Mr. President, I merely wish to say that this amendment involves the Congress voting in favor of an increase in the price of milk. I do not think we should increase the price of any particular product. Whether we think the prices are wrong or right, if we proceed to pass on the price of milk, on the price of hogs, on the price of corn, and the price of every other product, there will be no end to the legislation in which we will become involved, even though we may agree that the price of milk should be higher. We have enacted a law, we have given to a board power to fix the price. I feel the same about an increase in the price of oil. It may be more than just, but I do not think Congress can undertake to pass on the price of one product after another, under the Price Control Act.

Mr. EASTLAND and Mr. McCLELLAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield, and if so, to whom?

Mr. TAFT. I yield first to the Senator from Mississippi.

Mr. EASTLAND. Where in the amendment does it say that prices must be raised?

Mr. TAFT. It says:

(a) Within a period of 120 days from the effective date hereof, and within each 6-month period thereafter, maximum prices heretofore or hereafter established on milk and the products thereof (pursuant to the Emergency Price Control Act of 1942, as amended by Public Law 729, approved October 2, 1942) shall be further adjusted on a regional or market basis as the case may require to the extent necessary—

Adding all costs which occurred since January 1—3 years ago—which probably represents an increase of 50 percent.

Mr. EASTLAND. The Senate provided that prices must be adjusted taking into consideration the difference in the cost of production from 1941 until the date it sets out the formula under which the price of milk is to be determined. Certainly the Senator favors an adequate food supply for the American people.

Mr. TAFT. Let me go back. I may misread the amendment. As I read it, this is what it provides:

Within a period of 120 days from the effective date hereof, and within each 6-month period thereafter, maximum prices heretofore or hereafter established on milk—

That means the prices fixed on milk today by regional agreement or by the price control act. It continues:

and the products thereof (pursuant to the Emergency Price Control Act of 1942, as amended by Public Law 729, approved October 2, 1942) shall be further adjusted on a regional or market basis as the case may require to the extent necessary to (1) reflect changes in farm labor costs (including hired workers, farm operators, and members of the families of farm operators engaged in work on the farm computed for all such labor on the basis of wage rates for hired farm labor), feed prices (including all feed fed whether

purchased or home grown), and other costs since January 1, 1941.

The probable increase in costs in 3 years is somewhere between 25 and 50 percent, and we are taking prices which have been fixed today, not the prices which may have existed in January 1941, and saying we must add 2 or 3 years' increases in costs. It seems to me obvious that it will result in a 25-percent increase in the price of milk.

Mr. EASTLAND. Any business must have increased revenue when its costs increase, and if the cost of the production of milk increases, of course the price of milk must be increased.

We all admit that the dairy industry today is partially living on a subsidy. If we take off the subsidy, as it looks as if the Senate will do, under the bill, we must set up adequate machinery to give the dairy interests cost of production, or we will have a milk famine in this country.

Mr. AIKEN. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. AIKEN. I should like to say a word. The purpose of the Eastland-McClellan amendment is to compel compliance with the price-control act of October 2, 1942, and the marketing agreement act of 1937. The Senator from Ohio certainly does not approve letting the executive departments "get by" without complying with those acts, does he?

Mr. TAFT. Not at all, but if those acts are on the statute books and are being disregarded, what is the use of passing another measure which makes the same provision? However, I would not have any particular objection if that were the fact, but as I read the amendment it does something very different. In effect, I think, it says we can take present prices and add to them the increase in costs. I may be mistaken, but that is the way the language reads to me. If the Senator merely wishes to add to the price as it was on January 1, 1941, the increase of cost which has occurred since that time, I have no objection. That is what the price control act provides, but I do not think that is what the amendment provides.

Mr. AIKEN. Then the Senator has no objection to the amendment, if that is what it does. It is too bad that we have to ask any executive agencies to comply with the law; nevertheless, it seems necessary to do so, because they have failed to do it. The purpose of the amendment is to direct them to comply with the two laws I have mentioned, and I believe the Senator from Ohio voted for them, and I assume he stands by them today.

Mr. TAFT. If the Senator from Mississippi will state that in his opinion the provision simply means that the increase over 1941, over what it was 3 years ago, shall be equal to the increase in cost for the same period, I have no further objection to the amendment.

Mr. EASTLAND. Would the Senator please repeat his question?

Mr. TAFT. I think I shall have no objection if the Senator will state that the

object is to provide that the price of milk shall be increased as much over what it was 3 years ago, January 1, 1941, as the cost of production of milk has increased during the same years.

Mr. EASTLAND. An increase has already been granted. The purpose is to fix the price of milk according to the formula set out in the amendment, which we think is equitable.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FERGUSON. I should like to ask a question of the Senator from Mississippi. Would the amendment as drafted permit a board which was conducting a public hearing, to place the fair price of the milk as of the date the board was sitting, considering the four items which are to be found on the top of page 2 of the amendment?

Mr. EASTLAND. That is exactly so.

Mr. FERGUSON. If it were found that a reduction in price was justified it could be made under the provisions of the amendment, and if it were found that an increase in price was justified it could be made?

Mr. EASTLAND. That is correct. But under the act of 1937 the price of milk can be set only in interstate commerce. We use that machinery with respect to milk produced and shipped in intrastate commerce.

Mr. TAFT. What confuses the issue, I think, is that the phrase "since January 1, 1941," is contained in the amendment. Why should that not be stricken out? What is wanted is an adjustment to meet the increased cost. When the matter is related to a particular date the cost is related to a particular date, but the change in price is not related to a particular date. The change in price is related to the existing price. I suggest that if the Senator eliminates from his amendment "January 1, 1941," I would have no objection to it.

Mr. EASTLAND. I did not see any point in eliminating that date. We have here the basis to start with. It takes in the whole period. While I cannot speak for the Senator from Arkansas, I for my part do not feel that it should be eliminated.

Mr. McCLELLAN. I will say to the Senator from Ohio that that date is fixed in the amendment as a basis from which to start. If no date is fixed from which to determine increase in cost, those charged with the determination could go back to 1920 or any other time. There must be some point beyond which they cannot go. In other words, there must be a basis, some date from which to proceed.

Mr. TAFT. This provision suggests the Little Steel formula. What is the Little Steel formula? It is that wages shall not be increased more than 15 percent over what they were on January 1, 1941. This has nothing to do with the price of milk on January 1, 1941. This simply says that in considering the change in the present price the increased cost since January 1, 1941, must be taken into consideration.

Mr. McCLELLAN. It would carry with it the increase in the cost of producing milk since that time. The increased cost since then would be determined. There has also been an increase in price since then, which would be considered. When the subsidy is taken off, of course, that would result in a decrease in the price which the farmer or the dairyman receives for his product, and that would have to be taken into account. The price would have to be adjusted on that basis.

Mr. EASTLAND. The date, January 1, 1941, is fixed in order to take into account the abnormal cost due to the war, and also increases in prices.

Mr. TAFT. But a part of that cost may have already been taken into account by the increase in price.

Mr. EASTLAND. All the amendment does is to utilize the machinery which has already been set up, to take into consideration in fixing the price of milk the increased cost due to the war emergency since the date fixed.

Mr. McCLELLAN. It does not necessarily mean that the price must be increased one cent, but that in adjusting the price to effectuate the purposes as set forth, those charged with the determination of the matter are directed to take into account the increased cost since that time.

Mr. EASTLAND. Mr. President, will the Senator yield further?

Mr. TAFT. I yield.

Mr. EASTLAND. In the next few months if the costs decrease, then the price of milk would decrease.

Mr. TAFT. But I understand the Senator thinks the amendment means that in fixing the price, consideration must be taken of what the price of milk was on January 1, 1941.

Mr. EASTLAND. It would take into consideration, in fixing the price, increases since that date.

Mr. TAFT. Is it intended to relate the increase to the increase in the price of milk from that which existed on January 1, 1941?

Mr. EASTLAND. That is correct.

Mr. TAFT. If that is the meaning of the proposal, I have no objection to it.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOWNEY. I desire to say to the distinguished Senators who have offered the amendment that I think the point being made by the Senator from Ohio is absolutely correct. The amendment as it now reads provides that to the maximum price of milk in the last 3 years there shall be added the increase in the cost of production during that period.

Mr. EASTLAND. No.

Mr. DOWNEY. The amendment certainly provides that the maximum prices heretofore or hereafter established on milk products shall be taken, and then, beginning with them, adjustment shall be made to reflect the changes in farm-labor costs over the period of time since January 1, 1941.

Mr. McCLELLAN. Adjusting a price does not mean to increase a price. The price is adjusted taking those things into account.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. EASTLAND] on behalf of himself and the Senator from Arkansas [Mr. McCLELLAN].

The amendment was agreed to.

Mr. AIKEN. Mr. President, on behalf of myself and the Senator from Wisconsin [Mr. LA FOLLETTE], I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. In lieu of the language proposed to be inserted by the committee beginning on page 9, line 11, and extending down to and including line 23, on page 10—being section 3—it is proposed to insert the following:

TITLE I—GENERAL PROVISIONS AND AUTHORITY PURPOSES

SEC. 3. It is hereby declared to be in the interest of national defense and security and necessary to the effective prosecution of the present war and the maintenance of the health, efficiency, and morale of the civilian population, and the morale of those members of the armed forces who have dependents among the civilian population, that the limited supplies of food presently available for civilian consumption be equitably distributed among the various sections of the Nation and among persons in the various income groups, and that the means of obtaining sufficient food for an adequate diet be placed so far as possible within the reach of every person in the Nation. It is further declared that the operation of the national food-allotment plan, as provided in this act, is a desirable and effective method of accomplishing the purposes hereinabove set forth.

DEFINITIONS

SEC. 4. As used in this act—

(a) The term "Director" shall mean the Deputy Director of the Food Distribution Administration charged with the establishment and operation of the food-allotment plan.

(b) The term "household" shall mean one person who alone, or a group of two or more persons who at a common table, customarily consume food prepared by or for him or them in a home or noncommercial nonpenal institution. Households shall be classified for the purposes of this act according to number of members and monthly income. Such income classification shall be according to \$10 levels.

(c) The term "basic food allotment" per person, shall mean the following amounts of food per person per week or the equivalent thereof in nutritional value and approximate cost as determined by the Director:

Milk, or its equivalent in cheese, evaporated milk, or dry milk, 5 quarts.

Potatoes and sweetpotatoes, 4 pounds.

Dry beans, peas, and nuts, 8 ounces.

Tomatoes and citrus fruits, 1 pound 8 ounces.

Leafy, green, or yellow vegetables, such as green cabbage, kale, snap beans, and carrots, 1 pound 8 ounces.

Other vegetables and fruits, 2 pounds 5 ounces.

Eggs, 4 (number of eggs).

Meat, poultry, and fish, 1 pound 8 ounces.

Flour and cereals, 4 pounds 7 ounces.

Fats and oils, 14 ounces.

Sugars, sirups, and preserves, 12 ounces.

(d) The term "normal food expenditures" shall mean the amount of money customarily expended for the purchase of food plus the money value of home-produced food consumed by households of a specific size and

income classification during a specified period of time.

ESTABLISHMENT OF THE FOOD-ALLOTMENT PLAN

SEC. 5. The War Food Administrator created by Executive Order No. 9322 is hereby authorized and directed to establish and administer a national food allotment plan in accordance with the provisions of this act under the supervision of a Deputy Director of the Food Distribution Administration. Such plan shall provide for the issuance to eligible households, according to need and free of charge, of food-allotment coupons of prescribed monetary values and in such form as may be approved by the Director. Coupons so issued shall be transferable by the recipient thereof to mercantile establishments registered in accordance with the provisions of this act in exchange for food or food products of equal value at the prices currently prevailing in the establishment of the transferee and shall be redeemable at face value upon presentation to the Treasury by any authorized transferee thereof. Such coupons may be transferred by such transferee and accepted in payment for food or food products purchased by him, or deposited by such original or subsequent transferee with a banking institution authorized by the Director to receive the same for redemption as hereinafter provided.

ELIGIBILITY OF HOUSEHOLDS

SEC. 6. (a) The determination with respect to the eligibility of households to participate in the national food allotment plan shall be made on the basis of the number of persons who are members thereof and their monthly rate of income. Individual households shall be certified only upon the voluntary application of a member thereof. A household shall be eligible to participate in the national food allotment plan and receive food-allotment coupons: *Provided*, That households of the same size and income classification, considered as a group, are found by the Director, on the basis of factual studies conducted under his supervision, to have normal food expenditures less than the reasonable cost of the basic food allotment of such households.

(b) For the purpose of determining eligibility and the value of coupons issuable, as provided in section 5 of this act, the Director shall determine semiannually in the manner specified in subsection (a) of this section, the normal food expenditures and the reasonable cost, according to the food prices collected by the Bureau of Labor Statistics in the Department of Labor, of the basic food allotment for households within each size and income classification. Such normal food expenditures shall be stated in terms of the national average, but the Director may, if he deems it necessary in order to effectuate the purposes of this act of securing equitable distribution of food supplies, provide for regional differentials with respect to the reasonable cost of the basic food allotments.

VALUE OF FOOD ALLOTMENT COUPONS ISSUABLE

SEC. 7. (a) Each household certified as eligible shall be entitled, subject to the provisions of subsection (b) of this section, to receive food-allotment coupons of a value which, added to the normal food expenditures for households of the same size and income classification, as determined by the Director, shall equal the reasonable cost of the basic food allotment for a household of that size as so determined. The value of coupons to be issued for each period shall be adjusted to the nearest whole dollar.

(b) If the Director finds that the funds available for expenditure in accordance with the provisions of this act are insufficient to meet the full amount of the difference between normal food expenditures and the reasonable cost of the basic food allotment for all eligible households participating in the

plan, he shall establish a percentage of the reasonable cost of the basic food allotment which can be attained for all participants out of the funds available, and shall cause food-allotment coupons to be issued to each participating household of a value which, added to the normal food expenditures as aforesaid, shall equal the established percentage of the reasonable cost of the basic food allotment of a household of that size.

(c) Except for variations based on regional differentials authorized under section 4 (b) of this act, all households of the same size and income classification shall be entitled to receive food-allotment coupons of the same value. Except for adjustments to the nearest whole dollar as provided in subsection (a) of this section, in no event shall coupons be issued to any household of a value in excess of that which added to the normal food expenditures for a household of the same size and income classification shall equal the reasonable cost of the basic food allotment for a household of that size as determined by the Director.

DISCRIMINATION PROHIBITED

SEC. 8. There shall be no discrimination against any household with respect to eligibility, classification, participation, or issuance or utilization of food-allotment coupons under the provisions of this act by reason of race, religious creed, national origin, citizenship, political affiliations or beliefs, occupation, employment, or other tests, except as provided for in this act and as necessary to insure general fairness and equity in the application of this act.

PRESERVATION OF STANDARDS

SEC. 9. No moneys herein or hereafter appropriated for the purposes of this act shall be expended in lieu of Federal, State, or local expenditures customarily made for the direct benefit of households within the income groups found eligible to receive food-allotment coupons. Present standards for the payment, and payments, of social security and other types of assistance shall not be made less favorable to the recipients, or applicants for such assistance, by reason of the operation of the food-allotment plan.

DETERMINATION AND CLASSIFICATION OF ELIGIBLES

SEC. 10. (a) The Director shall designate appropriate State, local, and private agencies and ration boards where feasible to receive applications to participate in the food-allotment plan, to determine the eligibility of such applicants for food-allotment coupons, and to certify to him the names of those found eligible, together with such relevant data concerning the size and income classification of the households so certified as may be necessary to determine the value of the coupons to be issued to the applicant and such other information as may be necessary to the efficient administration of the food-allotment plan. The Director may reimburse such agencies so designated for reasonable expenses incurred in connection with the work performed by them.

(b) When the Director finds upon investigation that appropriate State, local, or private agencies are not available in any State or community, he may establish local offices and employ suitable personnel to receive applications, determine eligibility, and certify eligibles as provided in subsection (a) of this section.

(c) Each applicant shall furnish such information with respect to the size and income of the household of which he is a member as may be required by the Director and necessary to the determination of eligibility and of the value of food-allotment coupons to which such household is entitled. In determining the income classification of a household income in cash and in kind shall be considered in accordance with regulations

issued by the Director. When two or more adult members, other than husband and wife, contribute to the support of a household, an equitable portion of the income of any such member other than the natural head of the household shall be deemed to constitute income of the household in accordance with regulations issued by the Director.

(d) The Director shall establish appropriate procedures for appealing from the determination as to eligibility and the value of coupons issuable.

(e) The eligibility of each participating household and the value of the coupons to which it is entitled shall be redetermined and certified at least twice in each 12-month period in accordance with rules and regulations issued by the Director.

ISSUANCE

SEC. 11. The unit for issuing food-allotment coupons shall be denominations of 10 cents and increasing denominations thereof. The Director, or his designated issuing agents, shall issue coupons in such manner, and at such times and places, as the Director may determine, taking into consideration efficiency of administration and the convenience of those entitled to receive such coupons.

REDEMPTION OF FOOD-ALLOTMENT COUPONS

SEC. 12. (a) The Director shall provide for redemption of food-allotment coupons exchanged for food and food products through the cooperation of the Treasury Department, Post Office Department, the General Accounting Office, and banking institutions throughout the Nation. He shall designate banking institutions to accept coupons from sellers of food at retail and wholesale. Institutions so designated shall pay at time of presentation in cash or by credit to a demand deposit the full value of all coupons presented to them.

(b) Banking institutions accepting coupons as provided in subsection (a) of this section and other authorized transferees may present such coupons for redemption at audit offices of the War Food Administration, and the General Accounting Office shall arrange to conduct the necessary audits of such claims at such offices, thereupon releasing the coupons to the Director for reissuance. Approved vouchers covering such claims shall then be forwarded to regional disbursing offices of the Treasury Department for payment.

(c) The Director may contract to reimburse banking institutions designated to receive food-allotment coupons for their reasonable expenses incurred in acting as such depositories.

REGISTRATION OF FOOD DEALERS

SEC. 13. The Director shall provide by regulation a simple method for the registration of mercantile establishments selling food and food products at wholesale or retail which desire to be authorized to receive food-allotment coupons in exchange for food and food products. Such registration shall constitute authority so to receive food-allotment coupons.

TITLE II—ADMINISTRATION AND ENFORCEMENT ADMINISTRATION

SEC. 201. (a) The Director may, subject to the civil-service laws and the approval of the War Food Administrator, appoint such employees as he deems necessary in order to carry out his functions and duties under this act and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Director may utilize the services of Federal, State, and local and private agencies, and may utilize and establish such regional, local, or other agencies and utilize such voluntary and uncompensated services as may from time to time be needed. Attorneys appointed under this section may appear for and represent the Director in any case in any court. In the appointment, selection, classification, and promotion of officers

and employees, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

(b) The principal office of the Director shall be in the District of Columbia, but he or any duly authorized representative may exercise any or all of his powers in any place.

(c) The Director shall have authority to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere; for law-books and books of reference; and for paper, printing, and binding) as he may deem necessary for the administration and enforcement of this act. The provisions of section 3709 of the Revised Statutes shall not apply to the purchase of supplies and services by the Director where the aggregate amount involved does not exceed \$250. Total administrative expenditures of all types shall not exceed 5 percent of the funds appropriated for the purposes of this act.

(d) The Director may, from time to time, issue such rules and regulations as he may deem necessary or proper in order to carry out the purposes and provisions of this act.

INVESTIGATIONS, RECORDS, AND REPORTS

SEC. 202. (a) The Director is authorized to make such studies and investigations and to obtain such information as he deems necessary and proper to assist him in prescribing any rule or regulation under this act, or in the administration and enforcement of this act and the rules and regulations thereunder.

EDUCATIONAL PROGRAM

SEC. 203. As a part of the food-allotment plan, the Director shall provide, in cooperation with existing agencies of the Federal, State, or local governments, or private persons or groups, for improving the buying habits, food-utilization techniques, and food-preservation methods of the participants in the food-allotment plan.

SUSPENSIONS

SEC. 204. (a) The Director is authorized to suspend from participation in the food-allotment plan any State or area, if he finds after due notice and opportunity for hearing that any agency of such State or area serving as a certifying agent under the provisions of section 8 of this act (1) has knowingly violated any provision of this act or of any rule or regulation issued by him under the provisions of this act or has knowingly certified as eligible households not entitled to such certification or submitted inaccurate data with respect to size or income of households certified and (2) is likely to fail to comply in the future with the provisions of this act and the rules and regulations issued by him or to continue such unauthorized certifications or submission of inaccurate data.

(b) The Director is authorized to suspend from participation in the food-allotment plan any State or area, if he finds after due notice and opportunity for hearing that expenditures customarily made are being withheld, or that standards of payment or payments have been made less favorable, by such State or area, or by agencies thereof, contrary to the provisions of section 7 of this act.

(c) No State or area shall be suspended in accordance with the provisions of subsection (a) or (b) of this section except by written order of the Director signed by him.

(d) The Director is authorized and directed to provide by rules and regulations for the suspension from participation in the food-allotment plan of any registered food dealer, participating household, or banking institution found by him, or by any officer or employee designated by him, to have violated any provision of this act.

COUNTERFEITING OF FOOD-ALLOTMENT COUPONS

SEC. 205. Whoever shall falsely make, alter, forge, or counterfeit, or cause or procure to be falsely made, altered, forged, or counterfeited any food-allotment coupon or coupon similar thereto for the purpose of obtaining or receiving, or of enabling any other person to obtain or receive, directly or indirectly, from the United States or any of its officers or agents, any money or other thing of value, and whoever shall transfer or utter as true, or cause to be transferred or uttered as true, any such false, forged, altered, or counterfeited food-allotment coupon or coupon similar thereto, with intent to defraud the United States, or any mercantile establishment, banking institution, or person, shall, upon conviction thereof, be fined not more than \$5,000 or imprisoned not more than 10 years, or both.

TITLE III—MISCELLANEOUS
REPORTS TO CONGRESS

SEC. 301. The Director shall render, through the War Food Administrator, semiannual reports to Congress describing the operations of the food-allotment plan, including the following: Number of eligibles and participants, by the various classes of households established; the reasons for nonparticipation of eligibles; effect of the food-allotment plan on the expenditure habits of participants; extent to which the plan increases purchases of foods of various types and other kinds of goods and services, for the various classes of households; benefits derived from the plan for the different types and groups of food sellers, wholesalers, processors, and producers; extent of improper use of food-allotment coupons; changes in relief payments, social-security payments, and other types of income of the various classes of eligibles; the amount and type of administrative expenditures incurred.

SUBSIDY PAYMENTS PROHIBITED

SEC. 302. It being the policy of Congress as provided in title I of this act to provide a national food allotment plan as a means of safeguarding the general welfare against excessive price rises and inflationary tendencies in the existing war emergency, no funds appropriated to, borrowed under congressional authorization by, or in the custody or control of, any governmental agency, including any Government-owned or controlled corporation, shall be used for subsidy or other payments with respect to the production, processing, distribution, or other handling of any agricultural commodity or any commodity processed in whole or substantial part from any agricultural commodity, including milk and livestock and the products thereof, unless the Congress shall have specifically authorized the use of such funds for such purpose.

APPROPRIATIONS AUTHORIZED

SEC. 303. The appropriation of such sums as may be necessary to carry out the provisions of this act is hereby authorized.

TERRITORIAL APPLICABILITY

SEC. 304. The provisions of this act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

SEPARABILITY PROVISION

SEC. 305. If any provision of this act or the application thereof to any person or circumstance shall be held invalid, the remainder of this act and the application of such provision to other persons or circumstances shall not be affected thereby.

SHORT TITLE

SEC. 306. This act may be cited as the "National Food Allotment Act."

TERMINATION OF ACT

SEC. 307. The provisions of this act, and all rules, regulations, orders, and requirements

thereunder, shall terminate on June 30, 1945, or upon the date specified in a concurrent resolution by the two Houses of the Congress, whichever date is the earlier; except that as to offenses committed, or rights or liabilities incurred, prior to such termination date, the provisions of this act and such rules, regulations, orders, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

SEC. 308. There is hereby authorized to be appropriated \$500,000,000, or so much thereof as may be necessary, to carry out the provisions of this act.

Mr. AIKEN. Mr. President, I wish to say that I am quite in favor of the Bankhead bill with its limitation on subsidies, but I have felt from the beginning that the Senate would be very vulnerable if it enacted such a bill with its prohibition of subsidies without doing two things, one of which is to adopt an amendment such as we have adopted, which would provide for reimbursing farmers for any loss which they might sustain by reason of the abolition of subsidies and permit them to continue in production. In addition, I cannot vote to deprive the very poor people of our country of even the small amounts they would receive from a general subsidy, without making every effort I can make to provide some means of insuring that they have the food they must have in order to maintain their health.

The amendment which has been offered by the Senator from Wisconsin and myself was formerly introduced as Senate bill 1331. Hearings have been held on that bill and have been completed. It is unfortunate that the printing of the hearings has been delayed for some days at the Printing Office. I do not know why the hearings have not as yet been printed and are not available today, but they are not.

However, that bill, as now submitted in the form of an amendment to the pending bill has had several days of hearings. There appeared before us representatives of farm organizations who endorsed the bill, at least in a conservative manner. Among those were representatives of the Federation of Milk Producers, of the Association of Farmer Cooperatives, and of the Grange. There also appeared before the committee, in opposition to the bill, representatives of various labor organizations, including the C. I. O. and the Brotherhood of Railroad Trainmen. I think one other labor organization also submitted a brief in opposition to the bill.

Opposition was expressed by the American Public Welfare Association, who thought the bill might interfere with its appropriations and might prevent it from obtaining larger appropriations, if the low-income people were temporarily taken care of by some other means. I also think I should say that the Social Security Board opposed the bill on the ground that it should have larger appropriations to enable it to distribute more cash among the people of the country.

Mr. President, in these days of high wages, high prices, and large profits, when money is spent freely and often

recklessly, when there is competitive bidding in the black market for insufficient quantities of certain foods, we are likely to get the impression that everyone is well off. I wish this were so. I wish all persons had adequate means to support themselves comfortably; but that is not the case.

Millions of our American citizens do not have an income sufficient to enable them to maintain their health—to say nothing of living in luxury or even in comfort. Among these are 2,200,000 recipients of old-age pensions; 700,000 persons drawing old-age and survivors' insurance under the social-security program; about 1,000,000 disabled veterans drawing pensions or disability compensation, or their widows and dependent children; over 150,000 retired and disabled firemen, policemen, State and municipal employees; dependent children receiving aid through Federal and State welfare funds, to the number of 739,000; blind people to the number of 53,000; and many persons living on a fixed income too low to enable them to buy the food they need.

At the time the food-allotment bill was written, there was an indeterminate number of dependents of the 9,000,000 to 10,000,000 men in our armed forces who would have been eligible under the provisions of this plan. These have since been better provided for by the increase in servicemen's allotment, but no doubt there is still a large number who would be eligible.

I should like to call attention to the average amounts received as pensions or compensation by the veterans of our wars or their dependents:

One hundred and forty thousand veterans of the Spanish-American War average \$57.80 a month.

Four hundred and twenty-six thousand veterans of World War No. 1 are drawing \$39.02 a month, and we already have over 8,000 veterans of World War No. 2 drawing an average of \$40 a month.

The widows and children of deceased veterans of the Civil War average \$37.70 a month; of the Spanish-American War, \$30.56; of World War No. 1, \$44.11; and of World War No. 2, \$48.42.

An average of \$34.09 per month is being paid to the families of 13,449 men in the armed forces who died from service-connected disability in peacetime.

I would add to these numbers which I have stated several million low-income workers the amounts of whose pay checks have not increased during the years of the present war. These facts and figures will certainly bring home to us the realization that justice, mercy, and income are not being equitably dispensed. Rising costs of living at a rate comparable to the increased costs during other wars make the difficulties of these millions of low-income citizens more serious.

Most of the low-income people today are deserving. A few years ago chiselers and small-time racketeers were to be found in considerable numbers among those requesting assistance from their Government or other sources. Today the chiselers have pretty much disappeared. They would not be interested in the

small-time income which this amendment would provide. I think that is one reason why the group this amendment is intended to help is so silent. They are not organized, and they cannot demand. They are patient, law-abiding, patriotic citizens who deserve earnest consideration, just as much as do the groups which are organized and speak loudly through their spokesmen.

Mr. President, at this time I should like to read excerpts from a few letters I have just received from the kind of people who would receive some assistance from the amendment, if it should be agreed to.

I read first a letter from North Carolina, written by a resident of the home town of the junior Senator from North Carolina [Mr. REYNOLDS]:

DEAR SIR: I am one of the group you are trying to help. I have six children, three in school, three at home, too small to go to school. I am receiving \$30 a month of A. D. C.

That is Aid to Dependent Children—

My husband lost his mind and is in the State asylum. I am really having a time. I hate to complain about prices, but God knows they are out of sight. I cannot feed and clothe them, and I don't want to give a one of them away. I don't want them to steal and do the wrong thing, to survive. I am praying that God will spare you to get that bill through. I hope it will pass.

We poor people are the hardest hit. I am sure you will make a lot of people feel more like living if that food-stamp bill passes.

I will not state the names of any of the persons who wrote the letters I read at this time.

I read now a letter which comes from Utah, from the home of the senior Senator from Utah [Mr. THOMAS]:

SALT LAKE CITY, UTAH.

Senator AIKEN,
Washington, D. C.

DEAR SENATOR AIKEN: We note with some hope your suggestions for relief for those of low-income groups. Prices go up but not our income. I am an ex-physician of 70 years, and had to retire on account of ill health. Our income last year for myself and wife was under \$500. How can we live respectably on that? Who says there are no more low-income groups? I think Senators TAFT and BUSHFIELD should look around and figure this out. The plan suggested to help pay our living expenses is the first we have seen to give us any hope. After a life of 45 years of helping the sick and living well, this comes pretty hard, as you must know. They should be told of the many doctors and lawyers and other professional men in this class.

I read now an excerpt from a letter coming from a resident of New York City:

I am a retired United States customs clerk, having performed 26 years and 4 months' service in the United States Appraisers Customs Service, now at No. 201 Varick Street, New York City, first as opener and packer, then clerking for 23 years in the English cloth and manufactured clothing import duties; as to rating under various examiners—until my compulsory retirement by law as to 70 years of age, on July 5, 1939—record "Very good."

I was in the forties at my entry in the Service, and shortly after my entry the pension of Federal employees law came into effect as to \$1,200 per year, 70 years of age, 30

years' service, less 2½ percent of salary and later to 3½ percent for same.

Being not able to make the 30 years, my monthly pension check is only \$86.39 instead of \$100. The question is, How are the wife and I to get along on \$86.39 per month?

My rent is \$43 per month. We allow \$45 budget for eats—30 days at \$1.50 per day—plus \$5 per month gas and electric. These three items equal \$93. Plus doctor, medicine, and shoes, and clothing, etc. How to do it, I don't know. Dear Senator if, perhaps, you could amend the \$86.39 to the \$100 check, we would try and pull out, as my wife is very economical. There are very few who do not leave the service under 30 years' service, and as you can readily see it was no fault of mine. Please try and help us.

Here is a letter from Kodak, Tenn.:

KODAK, TENN., January 15, 1944.
Senator GEORGE D. AIKEN,
Washington, D. C.

DEAR GEORGE: I have just read in the Knoxville News Sentinel, a Scripps Howard paper, where you have introduced a stamp campaign to increase the living of low-class earners. I am 82 years old and was born on May 23, 1861. My wife—June 18, 1877. We are trying and have raised her granddaughter who is 13 years old, and am keeping her in school every day her health will permit, on the pitiful sum of \$23.90 per month we get as an old-age assistance. I have to pay \$7.50 per month for a shack that leaks and is open as a barn. I cut wood out of fence rows and carry all the way from 100 to 3,000 yards on my shoulder to keep fires to burn. I feel that it would be a great Godsend if someone would come to our aid, and not be like some of our visitors who try to look after us and tell us we ought to live fine on \$23.90 per month. So thanking you again for your effort I beg to remain as ever,
Yours respectfully,

I shall not read anymore of these letters. There are plenty of them, for there are millions of such people all over the United States. I should like to place more such letters in the RECORD.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. TAFT. Has the Senator an estimate of how many million?

Mr. AIKEN. I will come to that very shortly.

Mr. TAFT. The Senator said there were millions. I wondered how many millions.

Mr. AIKEN. Millions of people in the United States do not have enough to eat, and do not have sufficient means to keep warm.

Mr. TAFT. I am asking if there is an estimate of the number.

Mr. AIKEN. I shall come to that as soon as I can.

It has been said that the distribution of food allotment coupons would be humiliating to some of those who are forced by necessity to request them.

I presume there are those of whom this is true. I am glad that we still have proud people in our country. The fact is, however, that under the old stamp plan between 60 percent and 80 percent of those eligible made application for stamps.

The fact is that pride has not caused some of our higher income persons to decline subsidies. Everywhere all through our land wartime bonuses are

being paid and there is no record of broken pride. Even the employees of the United States Government have received bonuses of \$300 and up to help out on the cost of wartime living, and I have heard no loud cries of resentment yet—not even from my own office. The people whom this amendment is designed to help are the ones who unfortunately cannot get cash bonuses or increases in salaries. A large part of them are unable to work for one reason or another. Many of them work in civilian industry which has been shut down because of the war. They live in small towns. Their income is cut off. Thousands are borderline cases who may have to call upon their local government for help in the near future. Which will humble them most—to accept a wartime bonus to help out on the cost of living as higher paid groups are being helped, or a listing in the books of public relief and charity, which they do not deserve? During the great depression I saw people living under wretched conditions and doing without proper food to keep from going on relief. Most of them, however, accepted the stamp plan.

It is the purpose of this amendment to provide equitable distribution of food in order to maintain health and productive capacity during wartime among low-income consumers. The amendment has been generally referred to as the stamp plan. It should not, however, be confused with the old stamp plan which was used partly as a relief measure and partly as a means of utilizing surplus farm commodities.

This plan provided for in this amendment attempts to make the best possible use of the experience gained through the application of the old stamp plan and at the same time eliminate the difficulties of that plan.

I wish to make it clear that the amendment would not create any new organization for administering a food allotment plan. It would be under the direct supervision of a deputy director of the food distribution administration, but the actual application will be in the hands of existing State, local, and, in some instances, private agencies.

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. TYDINGS. Under the Senator's amendment, what is the date of expiration of the plan?

Mr. AIKEN. Six months after the war. The bill as drawn carried in the preamble a statement that it could be used after the war for distribution of farm surpluses, which some of us felt would then exist. That part of the preamble, however, has been deleted.

Because of regional variations of conditions, it is advisable to have this plan administered by persons familiar with each locality. For this same reason, provision is also made for regional differences with respect to the reasonable cost of the basic food allotments.

Administrative costs are to be paid by the Federal Government and must not exceed 5 percent of the funds appropriated. The amendment sets no minimum income for determining eligibility be-

cause this amount would vary according to the variation in living costs. It does, however, require a redetermination of such costs every 6 months.

The measure of eligibility is the insufficiency of normal food expenditures of households of various sizes and income classifications to meet the cost of basic food allotment.

A basic food allotment is defined as the amount of various kinds of food per person per week representing a minimum adequate diet. I must confess that the diet as defined in paragraph (c) of section 4 of the amendment is a pretty good diet for a minimum. The diet prescribed has been worked out by the most efficient home economists. It undoubtedly smacks of idealism because it does prescribe what is supposed to be a perfect diet. It is probably a better diet than most persons enjoy today, even though they can amply afford it.

The percentage of this diet which would be given to people in distress would be entirely dependent upon the amount which the Appropriations Committee and the Congress might be willing to appropriate. We have set up in the amendment what is designed to be a perfectly balanced diet. However, I do not think any of us believe that the time will come in the near future when everyone in the United States will be enjoying a perfect diet. However, it is a mark to shoot at. It should be our aim to see that everyone enjoys an ample, well-balanced diet, and we might as well aim for the bull's-eye in hopes that we may run up a better score than we have up to now.

The strength of a nation depends largely upon the health of its people, and health depends upon an adequate amount of the right kind of food.

The War Food Administration, which has approved this food-allotment plan in principle, has estimated that the current average cost of the basic food allotment as outlined in the amendment would be approximately \$646 a year for an average family of four persons. It appears that the average family of four, spending \$646 a year for food, should be receiving an average income of not less than \$2,350 a year.

This would vary according to the section of the country in which the people lived. The amendment is elastic enough to take care of such variations. The \$3,000,000,000 figure is the maximum amount that could be spent under this amendment if every person receiving less than \$2,500 per year for a family of four received every dollar's worth of coupons to which he might conceivably be entitled. In other words, \$3,000,000,000 would not provide a perfect diet for every person in the United States.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. TAFT. There seem to be two conflicting provisions. Section 303 provides as follows:

SEC. 303. The appropriation of such sums as may be necessary to carry out the provisions of this act is hereby authorized.

Section 308 provides as follows:

SEC. 308. There is hereby authorized to be appropriated \$500,000,000, or so much thereof

as may be necessary, to carry out the provisions of this act.

Mr. AIKEN. Let me say to the Senator from Ohio that this amendment in Senate bill 1331 is made over. I do not doubt that there are some technical errors in it, but I do not doubt the ability of a conference committee to correct them.

Mr. TAFT. Mr. President, will the Senator further yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Ohio?

Mr. AIKEN. I yield.

Mr. TAFT. What I wanted to ask was whether it is intended to limit the appropriation to \$500,000,000.

Mr. AIKEN. It is intended to limit the amount of the authorization to \$500,000,000.

Mr. LA FOLLETTE. Mr. President—

Mr. AIKEN. I yield.

Mr. LA FOLLETTE. I should like to suggest to the Senator that he modify his amendment by striking out that section.

Mr. TAFT. Section 303.

Mr. LA FOLLETTE. In writing it over and offering it as an amendment, apparently inadvertently that provision was left in.

Mr. AIKEN. I assure the Senator from Ohio and the Senator from Wisconsin that I gladly accept any modifications which will correct any purely technical and unintentional errors in the amendment.

The PRESIDING OFFICER. Does the Senator desire to modify his amendment?

Mr. AIKEN. Yes; I do.

The PRESIDING OFFICER. The amendment will be modified as indicated.

Mr. AIKEN. It is rather startling to learn that there are as many as 60,000,000 people in this country receiving an income at a rate less than \$2,500 per year for a family of four.

In some large areas of our country over 99 percent of the people would undoubtedly be eligible for assistance if Congress should choose this criterion. However, they certainly would not be eligible under the \$500,000,000 limitation.

It goes without saying that Congress would not, at the present time at least, use these figures as a yardstick in applying the provisions of the act. The amendment provides, however, that if sufficient funds are not appropriated to make up the full difference between normal food expenditures and the cost of the basic food allotment, the food allotment coupons may be used to supplement normal purchases in such a way as to enable participating families to buy a certain percentage of the basic amounts. A reduction in the allowance for food coupons would also mean a decrease in the number of eligible families and persons.

If we should consider that eligibility should be based on a minimum income of \$2,500 for a family of 4, we would find that 60,000,000 people would be eligible to receive food-allotment coupons to some degree. If every one of these—both

families and single individuals—took advantage of their eligibility and received the fullest amount of coupons that could be allotted, the total cost is estimated to be \$3,000,000,000.

Assume that the Congress decides to allow only 90 percent of the full basic diet, which would probably still be as good as or better than that enjoyed by the members of this body. The number of persons eligible would drop from 60,000,000 to 50,000,000, while the cost would drop from \$3,000,000,000 down to \$2,300,000,000, still assuming there would be 100 percent participation by all eligibles. But it is not likely that, even though authorized, the Congress would even appropriate for 90 percent of a full basic diet. It is more likely that a figure of 60 percent would be chosen, in which case the number of persons eligible would drop to 22,800,000 and the total cost would be about \$600,000,000 if everyone eligible participated fully.

However, experience has shown that when the stamp plan was in effect, only 60 to 80 percent of the low-income people took advantage of it.

Assuming that 70 percent of those eligible take advantage of this food-allotment program and receive coupons to enable them to enjoy a 60-percent diet, the total cost would amount to \$420,000,000. This amount would substantially raise the living standards of 16,000,000 of our lowest income people and protect them against actual want.

These 16,000,000 people are the ones who are in real need and should have their meager income supplemented in order to maintain their health and efficiency and a reasonable degree of security and happiness. These are the people who average \$1,100 a year or less for a family of four.

If we wish to go down still further and subsidize only to the amount of 50 percent of the basic diet, we would find that 19,600,000 persons eligible could be taken care of at a cost of \$389,000,000 if all participated or \$282,000,000 if 70 percent participated.

It is obvious that the really low income group of our country could be raised from a state of want, though not to a state of luxury, by any means, for approximately \$400,000,000 a year.

This amendment is not a relief measure, and it will not relieve States, counties, or municipalities of the duties with which they are now charged.

One of the witnesses before the committee testified that persons of low income should call on their local welfare agencies when they are in need. I advised him that it was the purpose of this bill to keep such persons from having to call on their local welfare agencies because a large percentage of them are not to blame for their present situation and should not be humiliated by being obliged to go "on the town," as we say in New England.

Section 9 of the amendment reads as follows:

SEC. 9. No moneys herein or hereafter appropriated for the purposes of this act shall be expended in lieu of Federal, State, or local expenditures customarily made for the direct benefit of households within the income

groups found eligible to receive food-allotment coupons. Present standards for the payment, and payments, of social-security and other types of assistance shall not be made less favorable to the recipients or applicants for such assistance, by reason of the operation of the food-allotment plan.

The purpose of this section is clearly to prevent local governments from unloading their own responsibilities onto the Federal Government, and to prevent them from cutting down the allowances they are now making to old-age-assistance recipients or others.

Under section 10 the director is charged with designating appropriate State, local, and private agencies and ration boards to carry out the provisions of the act. Only in case that the director finds upon investigation that appropriate State, local, and private agencies are not available he may establish local offices and employ suitable personnel to receive applications, to determine eligibility, and certify eligibles. Provision for the use of private agencies and for the establishment of federally employed personnel in local offices is made to cover the remote contingency that local or State agencies might not be available in some localities.

It is the expectation, Mr. President, that if this program should be adopted, wherever possible the local ration board would be the agency to certify persons for the supplementary income in the form of food-allotment coupons.

It is not expected that setting up the machinery for the administration of the food-allotment plan would be difficult. The actual work of certifying families would rest almost wholly with local boards. The part which the Federal Government played in the administration of the old stamp plan was neither difficult nor expensive. There is no reason to believe that the administration of the plan contemplated by this amendment would be much more so.

Mr. President, I am covering the ground as fast as I can, because I realize that it is growing late. I want to get through with this bill tonight just as much as does any other Senator. However, I do not want to get through with it until I have had a chance to go on record in regard to this amendment, and secure its adoption, if possible.

The Deputy Director of the Food Distribution Administration would issue coupons on the certification of the local board. These coupons would be used for the purchase of food only through the normal channels of trade.

The reason for that is that we do not want to provide for setting up Government stores for the distribution of food through this amendment or this food-allotment plan. In the amendment itself it is provided—

The Director shall provide by regulation a simple method for the registration of mercantile establishments selling food and food products at wholesale or retail, which desire to be authorized to receive food-allotment coupons in exchange for food and food products. Such registration shall constitute authority so to receive food-allotment coupons.

In other words, all food purchased with these coupons will be purchased through the normal channels of trade.

The Director is authorized to provide for redemption of food-allotment coupons exchanged for food and food products through the cooperation of the Treasury Department, the General Accounting Office, and banking institutions throughout the Nation. He shall designate banking institutions to accept coupons from sellers of food at retail and wholesale. The amendment provides that banking institutions so serving shall be paid reasonable expenses incurred in such capacity.

Section 203 provides for an educational program as a part of the food-allotment plan. Experience has shown that low-income housewives are, for the most part, anxious to make every penny do as much as possible, and welcome any information which will enable them to improve their buying habits, food utilization techniques, and food-preservation methods.

It is not intended that any new agency shall undertake any additional program, but that the Food Distribution Administration shall cooperate with home demonstration agents and other existing agencies in the program.

Mr. BONE. Mr. President, if I may take a short cut to the Senator's argument, would about the same technique be employed under his proposal as was employed under the food-stamp operation before?

Mr. AIKEN. The same technique would be employed, and I have had very extensive consultation with those who administered the old food-stamp plan, and they think they have taken the "bugs" out of it, as faults are called in agency parlance.

Mr. BONE. I know that when that plan was in operation before, it proved to be very popular, at least in my section of the country, and very acceptable. I am much interested in the Senator's argument.

Mr. AIKEN. Some faults were developed in the old food-stamp program. I do not think they ever came to the attention of the public, and we have attempted to remove them by the amendment. However, I dare say some will still remain, and others may develop as time goes on.

Section 302 of the amendment, under the subtitle of "Subsidy Payments Prohibited," has stirred objection on the part of some who might favor the rest of it. Perhaps "controlled" would be a better word than "prohibited." Such a change would be perfectly acceptable to me.

However, if one reads this section through, he will find that the only subsidies prohibited are those which have not been authorized by the Congress. The whole subsidy controversy is based upon a difference in the interpretation of the wording of the Price Control Act.

Certainly, no one believing in Government by the people can argue that executive agencies should be permitted to violate acts of the Congress any more than individual citizens should be per-

mitted to. A Government should have an exemplary standing before its people. It is to be presumed that in the near future Congress will definitely specify the subsidies which it deems to have been authorized.

It is clear that in these days, when a large part of our population has adequate, if not excessive, purchasing power, and the Government is asking for more and more taxes in an effort to avoid inflation and finance expenditures, no one can consistently advocate any form of subsidy which adds appreciably to the already excessive purchasing power of at least half of our citizens.

A direct subsidy to those who really need it will, to a large extent, nullify the arguments of those who insist that all persons should have subsidized food. Not a dollar authorized by this amendment would contribute to inflation, because the people eligible would have no excessive purchasing power under its provisions.

We cannot estimate the value received from this food-allotment plan in terms of dollars and cents alone. By assuring millions of our people enough to eat, we will be insuring many of them against the ravages of disease. We will keep an indeterminate number of them from calling upon their civic governments for relief. We will maintain or improve the efficiency of those who through part-time employment or otherwise are contributing materially to the war effort.

We cannot put a dollar-and-cents value upon the eyesight or the health of children now growing up in these borderline families. The money spent under the provisions of this plan might be returned to our country many times over in dividends of health and efficiency.

Mr. President, I have given a general rather than a technical description of the food-allotment plan which the Senator from Wisconsin and I propose. I reiterate what I stated at the beginning, I know it is not a perfect plan. As I said, we have tried to profit from the experience gained in applying the old stamp plan, and even though our plan is not perfect, I believe it is better than any other plan which has yet been presented for taking care of those who actually need assistance. We have taken care of every member of our own office forces, \$300 or more being given to each, and they have not been humiliated by it. I do not believe those who receive a little help from their Government during this period are going to be more humiliated than they would be by going to local relief authorities and asking for help.

The amendment provides, in section 307, that the provisions of the proposed law and all rules, regulations, orders, and requirements thereunder shall terminate on June 30, 1945, or upon the date specified in a concurrent resolution by the two Houses of the Congress. It is proposed as a temporary act, but it is my hope that a year's experience with this plan, during which time I surely expect faults to become apparent, will provide us with such further experience and information that we may well make it the basis of a sound

program which in the future will insure to each and every citizen of our Nation a diet which will enable him to maintain his health and efficiency in such a manner that he will be of the fullest value to society.

Mr. President, it has been said, and I read in the newspaper this morning, that the President would surely veto the Bankhead bill. I presume the assertion, which is credited to our revered majority leader, is probably correct, but vetoing the Bankhead bill as now written and vetoing the Bankhead bill with this amendment in it would be two entirely different things. I have many times disagreed with the President. I have certainly not been one of his advisers; I have sometimes suspected his motives, and I believe him to be a very shrewd politician, at least up to this time, but I do not believe he is cruel enough to veto any bill which we send him which provides that 15,000,000 or 18,000,000 people in need and distress in this country shall have enough to eat.

Mr. LA FOLLETTE. Mr. President, before the Senator from Vermont takes his seat I should like to have it clear in the RECORD that the amendment now proposed and the bill which we joined in introducing are different in that the amendment provides a very much more restricted operation of the plan, both so far as income levels are concerned, and insofar as the assistance which individuals could receive from it are concerned.

I fear that perhaps from some of the Senator's statements with regard to the original bill, which, frankly, we expected the committee to curtail and pare down, the impression might be left that we were now offering as an amendment the full scope of the original bill. Such is not the case, and I wanted that to appear definitely of record, so that Senators would not be under any misapprehension as to what they would be called upon to vote on, especially those Senators who are not present, and who may read the RECORD. In other words, the pending proposal is limited to \$500,000,000, and under a \$500,000,000 program, depending of course on the percentage applying for assistance, and assuming an experience under this plan similar to that we had under the last stamp plan, it would not be possible to extend assistance to families who are receiving incomes in excess of \$1,200.

I wanted that point to be made clear because I think, perhaps, the impression might have been created by the Senator's statement with regard to the original bill that the amendment applied to families with incomes of \$2,350 or less.

Mr. AIKEN. The Senator is entirely correct in his statement. The \$500,000,000 limitation probably will not permit any extension of the benefits to families of four, having an income of more than \$1,200 or probably \$1,250 a year. Further than that, before even that assistance could be granted the matter would have to come before the Congress again, be submitted to the Appropriations Committees, and they might cut it down even below that figure, although I should hope they would not, because I think the poor

people of the country need \$500,000,000 worth of help. But if we are to give 15 percent of our people \$500,000,000 in benefits through a general subsidy program, we would have to spend three and a half to four billion dollars to give them the same kind of help we can give them through a food allotment plan for only \$500,000,000.

Mr. BARKLEY. Mr. President, I had been hoping that we might finish action on the bill today, but in view of the amendment offered by the Senator from Vermont it is obvious that we cannot do so. I am anxious that we conclude action on the measure as early tomorrow as possible, and to that end I shall propose a unanimous-consent request. I understand the Senator from Wisconsin desires to address the Senate tomorrow on the amendment for a little longer than the time limit I had in mind. Therefore I ask unanimous consent that the Senator from Wisconsin be recognized at the beginning of tomorrow's session, and that following his address no Senator shall speak more than once nor longer than 20 minutes on the bill, or any amendment or any motion pertaining thereto until final action is taken.

Mr. PEPPER. Mr. President, reserving the right to object, I think the agreement will be satisfactory to me, but I have three amendments which I propose to offer, and have printed and lie on the table. Of course, a Senator can take time on the bill and on amendments.

Mr. BARKLEY. Yes, but a Senator cannot speak on the bill three times. He can take 20 minutes on any of the amendments, and 20 minutes on the bill. Under the agreement the Senator would not be permitted to speak more than once on the bill. I hope the Senator from Florida will not object to the proposal.

Mr. PEPPER. I shall not object, Mr. President.

Mr. WHITE. Mr. President, I share the desire of the leader of the majority that there may be a conclusion reached with respect to this measure, and I express hope that the unanimous-consent request which the Senator has proffered may be agreed to.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. CLARK of Missouri. Mr. President, I desire to give notice that at the proper time, before the passage of the pending measure, I intend to move to strike out the subsidies authorized by the so-called Bankhead bill. I am opposed to all subsidies, and intend to move to strike out the favored subsidies authorized and covered by the Bankhead bill.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. ELLENDER in the chair) laid before the

Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

FEDERAL COMMUNICATIONS COMMISSION

The legislative clerk read the nomination of Ewell K. Jett, of Maryland, to be a member for the term of 7 years from July 1, 1943.

Mr. WHITE. Mr. President, I am personally in favor of the confirmation of this nomination, but there are Members on this side who might want to say something about it. I therefore ask that the nomination be passed over.

The PRESIDING OFFICER. The nomination will be passed over.

FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the foreign service.

Mr. BARKLEY. Mr. President, these are automatic promotions. I ask that the nominations in the foreign service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the foreign-service nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Rear Admiral Randall Jacobs, to be vice admiral in the Navy, for temporary service, while serving as Chief of Navy Personnel in the Department of the Navy, to rank from February 1, 1944.

Mr. WALSH of Massachusetts. I ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Medical Director Ross T. McIntire, to be vice admiral in the Navy, for temporary service, while serving as Surgeon General and Chief of the Bureau of Medicine and Surgery in the Department of the Navy, to rank from February 1, 1944.

Mr. WALSH of Massachusetts. I ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Civil Engineer Ben Moreell,

to be vice admiral in the Navy, for temporary service, while serving as Chief of the Bureau of Yards and Docks in the Department of the Navy, to rank from February 1, 1944.

Mr. WALSH of Massachusetts. I ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 16 minutes p. m.) the Senate took a recess until tomorrow, Friday, February 11, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 10 (legislative day of February 7), 1944:

COMMISSIONER OF INTERNAL REVENUE

Joseph D. Nunan, Jr., of Douglaston, N. Y., to be Commissioner of Internal Revenue, in place of Robert E. Hannegan, resigned.

IN THE NAVY

Vice Admiral Raymond A. Spruance, United States Navy, to be an admiral in the Navy, for temporary service, to rank from the 4th day of February 1944.

Rear Admiral Richmond K. Turner, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 4th day of February 1944.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Annie L. Bell, Slacomb, Ala., in place of Walter A. Blount, transferred.

William Harry Tillery, Vinemont, Ala., in place of Maurice W. Holmes, transferred.

CALIFORNIA

George S. Clarke, Grossmont, Calif. Office became Presidential July 1, 1943.

Alfred S. Rusconi, San Joaquin, Calif. Office became Presidential July 1, 1943.

Ruth P. Wilson, Spring Valley, Calif. Office became Presidential July 1, 1943.

COLORADO

Maggie Jacobsen, Naturita, Colo. Office became Presidential July 1, 1943.

Edna A. Kennedy, Peetz, Colo. Office became Presidential July 1, 1943.

Alice J. Reed, Sanford, Colo. Office became Presidential July 1, 1943.

Merrill D. Harshman, Wiggins, Colo. Office became Presidential July 1, 1943.

GEORGIA

Melcena Royal, Ambrose, Ga. Office became Presidential July 1, 1943.

Floyd L. Crawford, Appling, Ga. Office became Presidential July 1, 1943.

Billy S. Hickman, Colbert, Ga. Office became Presidential July 1, 1943.

Cleone M. Fincher, Culloden, Ga. Office became Presidential July 1, 1943.

IOWA

Ambrose J. Leinhauser, Agency, Iowa. Office became Presidential July 1, 1943.

Ruth Longenecker, Aurora, Iowa. Office became Presidential July 1, 1943.

Earl T. Van Metre, Clemons, Iowa. Office became Presidential July 1, 1943.

Hannah Nelson, Stratford, Iowa, in place of Hilma L. Peterson. Incumbent's commission expired April 15, 1942.

KANSAS

Martin A. Basgall, Hays, Kans., in place of Joseph B. Basgall. Incumbent's commission expired June 23, 1942.

KENTUCKY

Mary M. Stahr, Hickman, Ky., in place of Henry L. Amberg, deceased.

LOUISIANA

Charles R. Duplex, Youngsville, La. Office became Presidential July 1, 1943.

MASSACHUSETTS

Josephine M. Welsh, Sudbury, Mass. Office became Presidential July 1, 1943.

Elizabeth C. Kelley, Thorndike, Mass. Office became Presidential July 1, 1943.

MINNESOTA

Agatha M. Gertken, St. Joseph, Minn., in place of John V. Schroeder, resigned.

MISSOURI

Lloyd Sapp, Ashland, Mo. Office became Presidential July 1, 1943.

Eugene W. Kurtz, Wyaconda, Mo., in place of Mabel Smulling, resigned.

NEW HAMPSHIRE

Iona A. Jenness, Rye, N. H. Office became Presidential July 1, 1943.

NEW YORK

Irene Bruno Amelee, East Williamson, N. Y. Office became Presidential July 1, 1943.

Beulah Meier, Holtsville, N. Y. Office became Presidential July 1, 1942.

NORTH CAROLINA

Elizabeth P. Bailey, Advance, N. C. Office became Presidential July 1, 1943.

Lawrence G. Garvin, Avondale, N. C. Office became Presidential July 1, 1943.

Manning B. Mahafee, Caroleen, N. C. Office became Presidential July 1, 1943.

Albert K. Dickens, Castalia, N. C. Office became Presidential July 1, 1943.

Edelweiss Mishoe, Castle Hayne, N. C. Office became Presidential July 1, 1943.

Thomas G. Long, East Rockingham, N. C. Office became Presidential July 1, 1943.

Marguerite M. Wells, Henrietta, N. C. Office became Presidential July 1, 1943.

Zora Leah Thomas, Hiddenite, N. C. Office became Presidential July 1, 1943.

Ruth B. Hickey, Hiwassee Dam, N. C. Office became Presidential July 1, 1943.

Grace Pugh, Hudson, N. C. Office became Presidential July 1, 1943.

Marion H. Current, Leicester, N. C. Office became Presidential July 1, 1943.

Margaret L. Rourk, Leland, N. C. Office became Presidential July 1, 1943.

Lossie S. Campbell, Lucama, N. C. Office became Presidential July 1, 1943.

Arthur Lee Nicholson, Macon, N. C., in place of Lula G. Harris, retired.

Annie F. Briscoe, Mill Spring, N. C. Office became Presidential July 1, 1943.

Elma B. Harris, Mooresboro, N. C. Office became Presidential July 1, 1943.

Bessie C. Cox, Newton Grove, N. C. Office became Presidential July 1, 1943.

Samuel P. Covington, Pinnacle, N. C. Office became Presidential July 1, 1943.

Lawrence V. Sigmon, Rosman, N. C. Office became Presidential July 1, 1943.

Sue C. Worsham, Ruffin, N. C. Office became Presidential July 1, 1943.

McLain L. Furr, Stanfield, N. C. Office became Presidential July 1, 1943.

Hardee C. Butler, Tuxedo, N. C. Office became Presidential July 1, 1943.

Maggie S. Cooley, Wagram, N. C. Office became Presidential July 1, 1943.

Eva Walker, Walkertown, N. C. Office became Presidential July 1, 1943.

NORTH DAKOTA

Noble O. Julson, Plaza, N. Dak., in place of John C. Black, deceased.

OHIO

Ella B. Morgan, Fairpoint, Ohio. Office became Presidential July 1, 1943.

Neil E. Smith, Noble, Ohio. Office became Presidential July 1, 1943.

OKLAHOMA

Elijah E. Meggs, Fort Towson, Okla., in place of Carrie M. Wynn, resigned.

PENNSYLVANIA

Albert R. Hinkle, Clearfield, Pa., in place of Seth W. Bloom, deceased.

Hazle Houseberg, East Bangor, Pa. Office became Presidential July 1, 1943.

Amelia Teuchert, Milmont Park, Pa. Office became Presidential July 1, 1943.

A. Blanche McClain, Picture Rocks, Pa. Office became Presidential July 1, 1943.

George Ed. Reed, Vanderbilt, Pa., in place of George Ed. Reed, transferred.

TENNESSEE

Curtis W. Younger, Atwood, Tenn. Office became Presidential July 1, 1943.

Katie Potts, Bon Aqua, Tenn. Office became Presidential July 1, 1943.

Glennie K. Harrison, Cosby, Tenn. Office became Presidential July 1, 1943.

Hollis K. Stephenson, Eagleville, Tenn. Office became Presidential July 1, 1943.

Shafter E. Kidwell, Mohawk, Tenn. Office became Presidential July 1, 1943.

James T. McCabe, Richard City, Tenn. Office became Presidential July 1, 1943.

Edith D. Hill, Shouns, Tenn. Office became Presidential July 1, 1943.

TEXAS

Leta McElligott, Bells, Tex., in place of Daniel T. McElligott, deceased.

Andrew R. Davis, Brackettville, Tex., in place of Edith M. Bursey, removed.

John A. Leinweber, Ingram, Tex. Office became Presidential July 1, 1943.

Sislie Curtis, Larue, Tex. Office became Presidential July 1, 1943.

Sallye Godbold, Leakey, Tex. Office became Presidential July 1, 1943.

Lura E. Seale, Lolita, Tex. Office became Presidential July 1, 1943.

Wayland B. Weatherred, Pampa, Tex., in place of Curry H. Walker, retired.

Albert W. Mosley, Purdon, Tex. Office became Presidential July 1, 1943.

VERMONT

Harleigh A. Somers, Barnet, Vt. Office became Presidential July 1, 1943.

VIRGINIA

Jippie S. Yeatts, Hurt, Va. Office became Presidential, July 1, 1943.

WEST VIRGINIA

Jesse C. Garlow, Madsville, W. Va. Office became Presidential July 1, 1943.

Icile O. Anderson, Watson, W. Va. Office became Presidential July 1, 1943.

John C. Coleman, Wilcoe, W. Va. Office became Presidential July 1, 1943.

WYOMING

Andrew Lee Johnson, Jackson, Wyo., in place of Robert B. Landfair, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 10 (legislative day of February 7), 1944:

FOREIGN SERVICE

To be a consul of the United States of America

Leslie W. Johnson

PROMOTIONS

To be Foreign Service officers of class 2, of the United States of America, effective November 16, 1943

Don C. Bliss, Jr. Alfred T. Nester
Walter J. Donnelly Albert F. Nufer
William R. Langdon

To be Foreign Service officers of class 3, of the United States of America, effective November 16, 1943

Donald F. Bigelow Renwick S. McNiece
David McK. Key Warwick Perkins
Marcel E. Malige J. Bartlett Richards

To be Foreign Service officers of class 4, of the United States of America, effective November 16, 1943

H. Merrell Benninghoff C. Paul Fletcher
Gilson G. Blake Winthrop S. Greene
Joseph F. Burt William M. Gwynn
Reginald S. Castleman Eugene M. Hinkle
Vinton Chapin Clarence E. Macy
Prescott Childs E. Talbot Smith
Charles H. Derry Francis H. Styles

To be Foreign Service officers of class 5, of the United States of America, effective November 16, 1943

Sidney A. Belovsky Cloyce K. Huston
Cavendish W. Cannon Perry N. Jester
Augustus S. Chase Kenneth C. Krentz
William P. Cochran, Jr. J. Hall Paxton
Gerald A. Drew Guy W. Ray
Monroe B. Hall Walter N. Walmsley, Jr.
Robert S. Ward

To be Foreign Service officers of class 6, of the United States of America, effective November 16, 1943

Walworth Barbour Patrick Mallon
Jacob D. Beam Robert Mills
Barry T. Benson McClintock
Max Waldo Bishop Edward D. McLaughlin
William E. Flournoy, Jr. Troy L. Perkins
Kennett F. Potter
Morris N. Hughes Joseph P. Ragland
Miss Elizabeth Humes John F. Stone
C. Grant Isaacs Tyler Thompson
Robert Janz Joseph I. Touchette
Charles F. Knox, Jr. William C. Trimble
Henry P. Leverich Whitney Young
Raymond P. Ludden
Thomas J. Maleady

To be Foreign Service officers of class 7 of the United States of America, effective November 16, 1943

John L. Bankhead Andrew G. Lynch
M. Williams Blake Robert B. Memminger
Carl Breuer Charles S. Millet
William F. Busser Bolard More
Thomas S. Campen Brewster H. Morris
David M. Clark Jack B. Neathery
Harry M. Donaldson Miss Katherine E.
Jay Dixon Edwards O'Connor
Perry Ellis John Ordway
James Espy Charles O. Thompson
Richard D. Gatewood S. Roger Tyler, Jr.
John L. Goshie Woodruff Wallner
John D. Jernegan Phillip P. Williams
Hartwell Johnson Robert E. Wilson
Easton T. Kelsey

To be Foreign Service Officers of class 8 of the United States of America, effective November 16, 1943

Roland K. Beyer George D. Henderson
Niles W. Bond John P. Hoover
Robert P. Chalker Donald W. Lamm
Wimberley DeR. Coerr Frederick J. Mann
V. Lansing Collins, Jr. Delano McKelvey
Adrian B. Colquitt Miss Minedee McLean
Thomas J. Cory Julian L. Nugent, Jr.
Edward A. Dow, Jr. Joseph Palmer 2d
Nicholas Feld Richard H. Post
William N. Fraleigh M. Robert Rutherford
John C. Fuess Robert C. Strong
Boles C. Hart, Jr. J. Kittredge Vinson
Richard H. Hawkins, Jr. Alfred T. Wellborn
Charles H. Whitaker

IN THE NAVY

TEMPORARY SERVICE

Rear Admiral Randall Jacobs to be a vice admiral in the Navy, for temporary service, while serving as Chief of Naval Personnel in the Department of the Navy, to rank from February 1, 1944.

Medical Director Ross T. McIntire to rank as vice admiral in the Navy, for temporary service, while serving as Surgeon General and Chief of the Bureau of Medicine and Surgery in the Department of the Navy, to rank from February 1, 1944.

Civil Engineer Ben Moreell to rank as vice admiral in the Navy, for temporary service, while serving as Chief of the Bureau of Yards and Docks in the Department of the Navy, to rank from February 1, 1944.

POSTMASTERS

TENNESSEE

George T. Cunningham, Dukedom.
James O. Massey, Finger.
Eugene N. Miller, Vanleer.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 10, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

God be merciful unto us and bless us and cause His face to shine upon us, that Thy way may be known on earth, Thy saving health among all nations. Let the people praise Thee, O God, let all the people praise Thee. Let the nations be glad and sing for joy, for Thou shalt judge the people righteously and govern the nations upon earth. Let the people praise Thee, O God, let all the people praise Thee. Then shall the earth yield her increase; then God, even our own God, shall bless us. God shall bless us and all the ends of the earth shall fear Him.

Our Father, who art in heaven: Hallowed be Thy name, Thy kingdom come, Thy will be done on earth as it is in heaven. Give us this day our daily bread, and forgive us our trespasses as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil, for Thine is the kingdom and the power and the glory forever.

Amen.

The Journal of the proceedings of yesterday was read and approved.

RESIGNATION FROM A COMMITTEE

The SPEAKER laid before the House the following communication, which was read:

WASHINGTON, D. C., February 10, 1944.

HON. SAM RAYBURN,

Speaker, House of Representatives:

I wish to present my resignation as a member of the House Pensions Committee, to take effect immediately.

Respectfully,

P. W. GRIFFITHS,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.
There was no objection.

ELECTION TO COMMITTEES

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer the following resolution

(H. Res. 432), which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That the following-named Members be, and they are hereby elected members of the standing committees of the House of Representatives, as follows:

Committee on Insular Affairs: LEON H. GAVIN, of Pennsylvania; P. W. GRIFFITHS, of Ohio.

Committee on Expenditures in the Executive Departments: SAMUEL K. MCCONNELL, Jr., of Pennsylvania.

Committee on Enrolled Bills: SAMUEL K. MCCONNELL, Jr., of Pennsylvania.

Committee on the Territories: JOSEPH M. PRATT, of Pennsylvania.

Committee on War Claims: JOSEPH M. PRATT, of Pennsylvania.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

SOCIALISTIC FUTURE OF THE UNITED STATES

Mr. DIES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIES. Mr. Speaker, those who have been fearful that America will be remade along communistic lines will be reassured by yesterday's statement of the Vice President. It is so important that I shall trespass upon the time of the House to read it. Quoting the Vice President:

We are not going to use the whole Russian political and economic system here.

CONDITIONS AT CAMP SHANKS, N. Y.

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, the New York Daily News, after an investigation of the deplorable conditions existing at Camp Shanks, Orangeburg, Rockland County, N. Y., in my new congressional district, made a number of exceedingly serious charges about a month ago of the corruption, malpractices, and irregularities concerning one of the largest military camps in the Nation. The charges were so shocking in regard to the construction of the camp and the conduct of the military personnel there that the public interest requires immediate action, to turn the searchlight of pitiless investigation upon all those responsible for the prevailing conditions which are a disgrace and an insult to hundreds of thousands of soldiers who have been quartered in this embarkation camp.

I have visited many Army camps, but, have seen none constructed on such a flimsy basis as Camp Shanks. The barracks are unfit for winter use, without a steam-heating system and totally inadequate to afford protection against the winter storms and rain and snow. In justice to our soldiers who use these leaky and wind-blown barracks, while awaiting transportation overseas, there should be no further delay in ascertaining the facts and holding those responsible for the conditions there strictly accountable.

The charges made by the New York Daily News are of such a serious nature